

**FISCAL ESTIMATE FORM**

**2009 Session**

- ORIGINAL       UPDATED  
 CORRECTED       SUPPLEMENTAL

<b>LRB #</b>	
<b>INTRODUCTION #</b>	
Admin rule #	Tax 11 Sales & Use Tax – 2009 Acts

**Fiscal Effect**

**State:**  No State Fiscal Effect  
 Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

- |  |   |
|--|---|
| <input type="checkbox"/> Increase Existing Appropriation | <input type="checkbox"/> Increase Existing Revenues |
| <input type="checkbox"/> Decrease Existing Appropriation | <input type="checkbox"/> Decrease Existing Revenues |
| <input type="checkbox"/> Create New Appropriation        |   |

Increase Costs - May be Possible to Absorb Within Agency's Budget  Yes  No  
  
 Decrease Costs

**Local:**  No Local Government Costs

- |  |   |
|--|---|
| 1. <input type="checkbox"/> Increase Costs<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenues<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |
| 2. <input type="checkbox"/> Decrease Costs<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 4. <input type="checkbox"/> Decrease Revenues<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |

5. Types of Local Governmental Units Affected:  
 Towns     Villages     Cities  
 Counties    Others \_\_\_\_\_  
 School Districts    WTCS Districts

**Fund Sources Affected**

- GPR    FED    PRO    PRS    SEG    SEG-S

**Affected Ch. 20 Appropriations**

**Assumptions Used in Arriving at Fiscal Estimate:**

The proposed rule updates Chapter TAX 11 of the Administrative Code, pertaining to the sales and use tax, to reflect certain sales tax changes adopted during the 2009 Legislative session. Specifically, the proposed rule updates Chapter TAX 11 to conform, or more clearly conform, this chapter of the administrative code to sales tax provisions contained in the following 2009 Acts:

- Act 2 – 2008-09 Budget Adjustment Legislation
- Act 28 – 2009-11 Budget Bill
- Act 204 – Food Sold by Child Welfare Facilities
- Act 330 – Streamlined Sales and Use Tax Agreement Changes

The proposed rule modifies TAX 11 to reflect law changes, improve clarity, and add examples to illustrate the tax treatment of certain items.

The proposed rule includes:

- Updates and clarifications to reflect amendments to the Streamlined Sales and Use Tax Agreement.
- Act 204's sales tax exemption for food, except soft drinks, sold by any child welfare facility licensed or certified under Chapter 48.
- Examples of items not directly used in manufacturing (to facilitate the administration of Act 28's modifications to the definition of manufacturing).
- Clarifications to earlier changes pertaining to Act 2 and Act 28.

The fiscal effects of these rule changes were included in the fiscal estimates of 2009 Acts 2, 28, 204 and 330. Consequently, these rule changes have no fiscal effect.

**FISCAL ESTIMATE WORKSHEET**

Detailed Estimate of Annual Fiscal Effect

**2009 Session**

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<b>LRB #</b>	Admin. Rule #
<b>INTRODUCTION #</b>	Tax 11 Sales & Use Tax - 2009 Acts

**Subject PROPOSED ORDER OF THE DEPARTMENT OF REVENUE REPEALING, RENUMBERING, RENUMBERING AND AMENDING, AMENDING, REPEALING AND RECREATING, AND CREATING RULES**

**I. One-Time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):**

<b>II. Annualized Costs:</b>	<b>Annualized Fiscal impact on State funds from:</b>	
<b>A. State Costs by Category</b>	<b>Increased Costs</b>	<b>Decreased Costs</b>
State Operations - Salaries and Fringe	\$	\$ -
(FTE Position Changes)	( )	-
State Operations-Other Costs		
Local Assistance		-
Aids to Individuals or Organizations		-
<b>TOTAL State Costs by Category</b>	\$	\$
<b>B. State Costs by Source of Funds</b>	<b>Increased Costs</b>	<b>Decreased Costs</b>
GPR	\$	\$
FED		-
PRO/PRS		-
SEG/SEG-S	\$	-
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>	<b>Increased Rev.</b>	<b>Decreased Rev.</b>
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
<b>TOTAL State Revenues</b>	\$	\$ -

**NET ANNUALIZED FISCAL IMPACT**

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ 0	\$ 0
NET CHANGE IN REVENUES	\$ 0	\$ 0
<b>Agency/Prepared by</b> Wisconsin Department of Revenue Bob Schmidt 608 267-9892	<b>Authorized Signature/Telephone No.</b> Wisconsin Department of Revenue Paul Ziegler 608 266-5773	<b>Date</b> July 1, 2010