

FISCAL ESTIMATE FORM

2019 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB #

INTRODUCTION #

Admin. Rule # to be assigned

Subject

This rule seeks to: **amend** Tax 11.002 (3) (a) 3. a. and b., 11.01 (2) (c) 1. (Note), 11.09 (4) (a), 11.11 (2) (Note) and (3) (d) 2. (Note), 11.17 (3) (Chart), 11.20 (3) (a) 2., 11.34 (4) (a) 3. (Note), 11.46 (4) (b), 11.535 (4) (Note) and (5), 11.61 (1) (a) 4., (2) (b) 1., and (2) (c) (Note 2), 11.88 (6), and 11.925 (3) (b) 2; **relating to** sales and use tax provisions.

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"/> Increase Costs - May be Possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Decrease Existing Appropriation | <input type="checkbox"/> Decrease Existing Revenues | |
| <input type="checkbox"/> Create New Appropriation | | |
| | | <input type="checkbox"/> Decrease Costs |

Local: No Local Government Costs

- | | | |
|--|---|---|
| 1. <input type="checkbox"/> Increase Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenues
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 5. Types of Local Governmental Units Affected:
<input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities
<input type="checkbox"/> Counties <input type="checkbox"/> Others _____ |
| 2. <input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 4. <input type="checkbox"/> Decrease Revenues
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | |
| | | <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate:

The rule updates various sections as identified in the JCRAR report submitted on March 26, 2019, as follows.

- a. Streamlined Sales Tax Registration System.** Section Tax 11.002 (3) (a) 3. a. and b. are amended to address a name change to the Streamlined Sales Tax Registration System.
- b. Addresses and other contact information.** Sections Tax 11.01 (2) (c) 1. (Note), 11.11 (2) (Note) and (3) (d) 2. (Note), 11.34 (4) (a) 3. (Note), 11.535 (4) (Note) and (5) and Tax 11.925 (3) (b) 2. (Note) are amended to update old email and mailing addresses and telephone numbers.
- c. Insulin.** Section Tax 11.09 (4) (a) is amended to clarify that insulin administered by a licensed pharmacist for treatment of diabetes as directed by a physician is deemed dispensed on a prescription as provided by sec. 77.54(14m), Stats.
- d. Purchases by medical clinics and hospitals.** Section Tax 11.17 (3) (Chart) is amended to remove several items from taxable and exempt lists because they are no longer defined terms or are unclear as to use to definitively state they are taxable or exempt.
- e. Beekeeping.** Sections Tax 11.20 (3) (a) 2. and 11.61 (1) (a) 4., (2) (b) 1., and (2) (c) (Note 2) are amended to include the tax treatment of drugs and services furnished by veterinarians for bees and products used in raising bees for research per 2017 WI Act 59.

Long-Range Fiscal Implications:

Agency/Prepared by: Wisconsin Department of Revenue Travis Arthur (608) 266-8565	Authorized Signature/Telephone No. Wisconsin Department of Revenue Jamie Adams (608) 266-6785	Date 2-26-2020
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- f. Occasional sale exemption for nonprofit organizations.** Section Tax 11.46 (4) (b) is amended to update receipt and day thresholds for the nonprofit occasional sale exemption, as provided by 2015 Act 364, amending sec. 77.54(7m), Stats.
- g. References.** Section Tax 11.88 (6) is amended to correct a rule reference.

The department has created this proposed rule order to reflect these statutory changes as well as provide needed clarification and correction as described above.

This rule makes changes to reflect current law and current department policy, therefore, there is no fiscal effect for the proposed rule.

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

2019 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

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

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

NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

NET CHANGE IN COSTS	\$ 0	\$ 0
NET CHANGE IN REVENUES	\$ 0	\$ 0

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Date
 2-26-2020

