

Clearinghouse Rule 07-033

PROPOSED ORDER OF THE DEPARTMENT OF REVENUE AMENDING RULES

The Wisconsin Department of Revenue proposes an order to: **amend** Tax 8.24(1)(a)3. and (6); **relating to** reciprocal interstate shipments of wine.

Analysis by the Department of Revenue

Statute interpreted: s. 125.68(10)(bs), Stats.

Statutory authority: s. 227.11(2)(a), Stats.

Explanation of agency authority: Section 227.11(2)(a), Stats., provides that each agency may promulgate rules interpreting the provisions of any statute enforced or administered by it, if the agency considers it necessary to effectuate the purpose of the statute.

Related statute or rule: There are no other applicable statutes or rules.

Plain language analysis: This proposed rule order amends a provision specifying the amount of wine an individual may receive per year from a winery in a reciprocal state. Based on a statutory change, this amount was increased from 9 liters to 27 liters. The proposed rule order also makes changes to reflect a change in title of a liquor tax reporting form and provide current contact information for obtaining the form.

Summary of, and comparison with, existing or proposed federal regulation: There is no existing or proposed federal regulation that is intended to address the activities to be regulated by the rule.

Comparison with rules in adjacent states: The department is not aware of a similar rule in an adjacent state.

Summary of factual data and analytical methodologies: Section 125.68(10)(bs), Wis. Stats., was amended by 2005 Act 25 to increase the amount of wine an individual may receive per year from a winery in a reciprocal state from 9 liters to 27 liters. The department has created this proposed rule order to reflect this statutory change.

Analysis and supporting documents used to determine effect on small business: The proposed rule reflects a statutory change relating to shipments of wine between Wisconsin and states with which Wisconsin has a reciprocal agreement described in s. 139.035, Stats. As the proposed rule does not impose any significant financial or other compliance burden, the department has determined that it does not have a significant effect on small business.

Anticipated costs incurred by private sector: This proposed rule order does not have a significant fiscal effect on the private sector.

Effect on small business: This proposed rule order does not have a significant effect on small business.

Agency contact person: Please contact Dale Kleven at (608) 266-8253 or dkleven@dor.state.wi.us, if you have any questions regarding this proposed rule order.

Place where comments are to be submitted and deadline for submission:
Comments may be submitted to the contact person shown below no later than one week after the public hearing on this proposed rule order is conducted. Information as to the place, date, and time of the public hearing will be published in the Wisconsin Administrative Register.

Dale Kleven
Department of Revenue
Mail Stop 6-40
2135 Rimrock Road
P.O. Box 8933
Madison, WI 53708-8933

SECTION 1. Tax 8.24(1)(a)3. is amended to read:

Tax 8.24(1)(a)3. No more than ~~9~~ 27 liters are received by any one individual during a calendar year.

SECTION 2. Tax 8.24(6) is amended to read:

Tax 8.24(6). REPORTING REQUIREMENTS BY WISCONSIN WINERIES. Every winery located in Wisconsin that ships wine to another state as described in this section shall report those sales on Wisconsin form AB-131, Wisconsin Liquor Tax Multiple Tax Schedule, as tax-paid sales. A description of each sale shall appear on the report.

Note to Revisor: Replace the first note at the end of Tax 8.24(6) with the following:

Note: Form AB-131 may be obtained by calling (608) 266-1961; by writing to Wisconsin Department of Revenue, Forms Request Office, Mail Stop 5-77, PO Box 8949, Madison WI 53708-8949; or by accessing the department's web site at www.revenue.wi.gov.

The rules contained in this order shall take effect on the first day of the month following publication in the Wisconsin administrative register as provided in s. 227.22(2)(intro.), Stats.

Initial Regulatory Flexibility Analysis

This proposed rule order does not have a significant economic impact on a substantial number of small businesses.

DEPARTMENT OF REVENUE

Dated: _____

By: _____
Roger M. Ervin
Secretary of Revenue

E:Rules/824 Proposed Order