



State of Wisconsin • DEPARTMENT OF REVENUE

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Scott Walker
Governor

Richard G. Chandler
Secretary of Revenue

March 13, 2012

Honorable Michael Ellis
President State Senate
Room 220 South State Capitol
PO Box 7882
Madison WI 53707-7882

Honorable Jeff Fitzgerald
Speaker State Assembly
Room 211 West State Capitol
PO Box 8953
Madison WI 53708-8953

Re: Clearinghouse Rule 12-015

Dear Senator Ellis and Representative Fitzgerald:

This is to notify you that the proposed rule order relating to sales and use tax exemptions for biotechnology is in final draft form. The proposed rule order and Notice of Hearing were published in the Wisconsin Administrative Register on February 15, 2012. A public hearing was held on February 27, 2012.

Copies of the proposed rule order and Report are enclosed. A brief summary of the proposed rule order follows:

Summary of Proposed Rule Order

The proposed rule includes guidance for the sales and use tax exemptions for property and items used in qualified research and raising animals used in qualified research or manufacturing, criteria used by the department to certify a business as a biotechnology business, definitions applicable to the statutory exemptions that are the subject of the rule, clarification that the term "engaged primarily in manufacturing or biotechnology in this state" means more than 50% of a person's activity in Wisconsin is manufacturing or biotechnology, and examples to clarify the sales and use tax treatment of certain items in the rule and related statutes.

Sincerely,

Richard G. Chandler
Secretary of Revenue

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e:rules\1107 Committees – President Speaker

Enclosure