

**WISCONSIN DEPARTMENT OF REVENUE
DIVISION OF INCOME, SALES, AND EXCISE TAX**

NOTICE OF PROPOSED GUIDANCE DOCUMENTS

Pursuant to sec. 227.112, Wis. Stats., the Wisconsin Department of Revenue, Division of Income, Sales, and Excise Taxes hereby seeks comment on the proposed guidance document listed in the table below.

SUBMITTING PUBLIC COMMENTS

Public comments on proposed or adopted guidance documents may be submitted online at: <https://www.revenue.wi.gov/Pages/contactUs/proposed-Guidance.aspx>.

DEADLINE FOR SUBMISSION

The period for public comment for proposed guidance documents ends 21 days after publication in the Administrative Register, unless the Governor approves a shorter commenting period.

Document Number	Document Title
100112	County Sales and Use Tax - Common Questions

State of Wisconsin
Department of Revenue

County Sales and Use Tax

This is a proposed guidance document. The document has been submitted to the Legislative Reference Bureau for publication in the Administrative Register for public comment as provided by sec. 227.112(1), Wis. Stats.

1. What is the county sales and use tax?
2. What is the tax rate?
3. When must a retailer report county tax?
4. How do I report the county sales and use tax?
5. No county tax was paid at the time of purchase. Do I owe tax if I use the item purchased in another county?
6. What is included in the monthly distribution payment made to counties?
7. Can we review the transactions that make up a month's distribution?
8. Why do distributions vary so much from month to month?
9. Are sales and use taxes by municipality available?
10. Is a county liable for paying sales tax on its sales?
11. Is a Wisconsin county liable for paying sales tax on its purchases?

1. **What is the county sales and use tax?**

The county *sales* tax rate of 0.5% is imposed on retailers making taxable retail sales, licenses, leases, or rentals or providing taxable services in a Wisconsin county that has adopted the county tax.

The county *use* tax rate of 0.5% is imposed on purchasers of items used, stored, or consumed in counties that impose county tax. County *use* tax must be paid when Wisconsin county *sales* tax is not charged and no exemption applies.

For further information see [What is Taxable](#) or [Use Tax](#).

2. **What is the tax rate?**

Sixty-eight Wisconsin counties have adopted a 0.5% county tax. To see which counties adopted the county tax, see the [State, County, and Stadium Tax Rate Chart](#). Depending on where the sale/purchase occurs and the type of seller, possible tax rates include:

- State [sales](#) and [use tax](#) (5%)
- County sales and use tax (0.5%)
- [Baseball stadium district](#) sales and use tax (0.1%) - **This tax is ending March 31, 2020**
- [Local food and beverage tax](#) (0.5%)
- [Premier resort area tax](#) (0.5% or 1.25%)

Important:

- Menominee County tax is effective April 1, 2020
- Outagamie County tax is effective January 1, 2020
- Calumet County tax became effective April 1, 2018
- Brown County tax became effective January 1, 2018
- Retailers who are not located in a county with a county tax and who have or are required to have a Wisconsin seller's permit or use tax registration certificate, are subject to the county tax and are required to collect and remit it, in certain situations. See Answer 3 for examples.

To look up a county's sales and use tax rate, click [here](#).

3. When must a retailer report county tax?

Retailers who have, or are required to have, a Wisconsin seller's permit or use tax certificate must collect and remit county sales tax if they do any of the following:

- Ship taxable items, using a third party shipper, to an address in a county that has a county sales and use tax
- Deliver taxable items with their own vehicle into a county that has a county sales and use tax
- Furnish taxable services in a county that has a county sales or use tax
- Otherwise make taxable sales or provide taxable services in a county that has a county sales or use tax
- Sell a motor vehicle, boat, recreational vehicle or aircraft that will be customarily kept in a county that has adopted the county tax

To determine which county's sales and use tax applies to a particular transaction, click [here](#).

4. How do I report the county sales and use tax?

Electronic filing and payment options for the sales tax return include:

- [My Tax Account](#) - The department's online filing and payment system for businesses
- [Sales Telefile](#) - File and pay your sales tax with any touch-tone telephone. Call (608) 261-5340 or (414) 227-3895
- [e-file Transmission](#) - A process sales tax filers use to transmit return data to DOR via an electronic file over the internet

5. No county tax was paid at the time of purchase. Do I owe tax if I use the item purchased in another county?

Generally, if an item is purchased in a county that has not adopted the county tax and is later brought to a taxable county where it is used, stored, or consumed, the purchase is not subject to the county use tax.

Exceptions: Construction materials, titled items, and certain purchases by nonresidents:

- *Construction materials* purchased in a county that has not adopted the county tax and later used to improve real property in a county that has adopted the county tax, are subject to

county use tax. For more information, see Wisconsin Tax Bulletin [#157](#) or [Publication 207, Sales and Use Tax Information for Contractors](#).

- o *Purchases of motor vehicles, boats, recreational vehicles as defined in s. 340.01(48r), Wis. Stats., and aircraft* are taxed, for county and stadium sales tax purposes, based on the county in which the item is customarily kept.
- o *Purchases of snowmobiles, trailers, semi-trailers, all-terrain vehicles, utility terrain vehicles, and off-highway motorcycles* are taxed, for county and stadium sales tax purposes, based on where the buyer receives possession of the items.
- o *Sales of motor vehicles, boats, recreational vehicles as defined in s. 340.01(48r), Wis. Stats., aircraft, and truck bodies (including semitrailers) to nonresidents* who do not use the property other than to remove it from Wisconsin, are exempt from Wisconsin county and stadium sales and use taxes.
- o *Sales of boats, recreational vehicles, snowmobiles, trailers, all-terrain vehicles, utility terrain vehicles, utility terrain vehicles, and off-highway motorcycles to nonresidents* are subject to Wisconsin 5% state sales and use tax. (See exception above for certain boats and recreational vehicles.)

For more information, see [Reporting Sales Tax on Sales of Motor Vehicles, Boats, Snowmobiles, Recreational Vehicles, Trailers, Semitrailers, All-Terrain Vehicles, and Aircraft](#).

6. **What is included in the monthly distribution payment made to counties?**

The monthly distribution is the sum of all completed transactions posted in our processing system from the 16th of one month to the 15th of the next month. For example, the sales tax on a transaction in December should be reported on a sales tax return due by January 20 or 31. If the return is processed by February 15, the tax would be included in the February distribution to the county.

Each transaction can be traced to a specific return or action relating to a retailer's (or individual's) sales and use tax account. Transactions are triggered by processing sales and use tax returns (Forms ST-12 and UT-5), motor vehicle, boat, ATV, utility terrain vehicle, off-highway motorcycle, and snowmobile private registrations, refunds and audits. Entries of county use taxes from individual income tax returns are posted as these returns process throughout the year.

7. **Can we review the transactions that make up a month's distribution?**

This information is confidential but available to persons authorized under [sec. 77.61\(5\)\(b\)](#), Wis. Stats. A county staff member who is authorized by their employer may sign a non-disclosure statement with the department for access to the detailed information. This information consists of a listing of all transactions processed within the distribution period back to the original record that initiated the transaction in our system. To request access to this information, contact Becky Haines at (608) 261-5282, or by email at Rebecca.Haines@wisconsin.gov.

8. **Why do distributions vary so much from month to month?**

The underlying economic activity on which sales and use taxes are based varies by month and season. In addition, the timing of payments and the processing of returns affects monthly distributions. Some retailers remit tax on a monthly basis, others remit tax on a quarterly or annual basis.

Each month's distribution is typically based on the returns processed from the 16th of one month to the 15th of the next. If a return that is due on the 20th is filed and processed on the 15th or before, one month's distribution may include two remittances from that taxpayer and the next

month's distribution would include none. In addition, taxes are not distributed until any errors in the return have been corrected; contacting and verifying information with a taxpayer may be time-consuming and delay the distribution of those taxes.

9. **Are sales and use taxes by municipality available?**

No. Since municipalities do not impose local sales and use taxes, taxpayers are not required to provide information by municipality. Calculating taxes remitted from select ZIP codes does not produce accurate information because ZIP codes are not contiguous with municipal boundaries. In addition, a store with multiple locations may file a single return from the ZIP code of the company's headquarters or accounting office rather than the location at which the sales took place.

10. **Is a county liable for paying sales tax on its sales?**

Generally, a county is liable for the collection, reporting, and payment of sales tax on its sales of tangible personal property and taxable services. Examples of taxable sales made by counties include the following:

- Clothing, such as T-shirts, sweatshirts, pants, jackets, hats, and employee uniforms
- Recreational equipment and supplies
- Admissions to facilities if the activity being conducted at the facility is amusement, athletic, entertainment, or recreational in nature
- Portable stages, portable basketball floors, portable public address systems, chairs, tables, stage risers, pianos, forklift trucks, music racks, spotlights, and projectors that are optional in connection with the rental of a facility
- Office equipment and furniture
- Computers and prewritten computer software
- Sales and delivery of trees, shrubs, or gravel to private purchasers
- Electricity, natural gas, and steam (Exception: Sales of electricity and gas for residential use during the months of November through April and electricity and fuel for farm use are exempt from tax)
- Landscaping and lawn maintenance services, including weed cutting

Examples of nontaxable sales by counties include:


- Notary public fees, library fines, and fees for licenses and permits
- Snow removal and snowplowing
- Special assessments and fees for garbage removal (Note: Separate sales of bags or receptacles for garbage or trash are taxable)
- Storage fees (except for storage of boats)
- Locker rentals, including coin-operated units
- Parking tickets
- Charges for lessons


If a county makes taxable retail sales or provides taxable services in Wisconsin **and** does not qualify for the occasional sale exemption (see [Publication 206](#), *Sales Tax Exemptions for Nonprofit Organizations*), the county is required to have a seller's permit. To apply for a seller's permit:

- Complete the [online application](#) (allow two business days for processing), or
- Complete Form BTR-101 (allow 15 business days for processing).

11. **Is a Wisconsin county liable for paying sales tax on its purchases?**

No. Purchases by Wisconsin counties are exempt from Wisconsin sales and use taxes. To claim the exemption, the county must give the seller one of the following:

- o A completed purchase order or similar document clearly identifying the county as the purchaser,
- o A properly completed sales and use tax exemption certificate ( [Form S-211](#), [S-211E](#), or [S-211-SST](#)), or
- o Its Certificate of Exempt Status (CES) number.

A county may apply for a Certificate of Exempt Status number using  [Form S-103](#). See [Publication 209](#), *Sales and Use Tax Information for Wisconsin Counties and Municipalities*, for additional information.

Applicable Laws and Rules

This document provides statements or interpretations of the following laws and regulations in effect as of January 2, 2020: Chapter 77, Wis. Stats., and Chapter Tax 11, Wis. Adm. Code.

Laws enacted and in effect after January 2, 2020, new administrative rules, and court decisions may change the interpretations in this document. Guidance issued prior to January 2, 2020, that is contrary to the information in this document is superseded by this document, pursuant to sec. 73.16(2)(a), Wis. Stats.

FOR QUESTIONS OR COMMENTS CONTACT:

MS 5-77

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