



State of Wisconsin  
2025 - 2026 LEGISLATURE

LRB-1766/P2

KP:klm

DOA:.....Martin, BB0424 - Exempt OTC medications from sales tax

**FOR 2025-2027 BUDGET -- NOT READY FOR INTRODUCTION**

**AN ACT ...; relating to:** the budget.

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*Analysis by the Legislative Reference Bureau*

**TAXATION**

**GENERAL TAXATION**

***Sales tax exemption for over-the-counter drugs***

The bill creates a sales and use tax exemption for the sale of over-the-counter drugs.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

**SECTION 1.** 77.51 (9rm) of the statutes is created to read:

77.51 (9rm) “Over-the-counter-drug” means a drug that contains a label that identifies the product as a drug as required by [21 CFR 201.66](#), including a label that includes any of the following:

- (a) A drug facts panel.
- (b) A statement of the active ingredients with a list of those ingredients contained in the compound, substance, or preparation.

**SECTION 2.** 77.54 (14) (g) of the statutes is created to read:

77.54 (14) (g) Over-the-counter-drugs.

**BILL**

**SECTION 9437**

**SECTION 9437. Effective dates; Revenue.**

(1) OVER-THE-COUNTER DRUGS. The treatment of ss. 77.51 (9m) and 77.54 (14) (g) takes effect on the first day of the 3rd month beginning after publication.

**(END)**