



2021 ASSEMBLY BILL 242

April 2, 2021 - Introduced by Representatives SNYDER, MAGNAFICI, KRUG, ARMSTRONG, BORN, CABRAL-GUEVARA, CALLAHAN, EDMING, KATSMA, MOSES, OLDENBURG, ROZAR, SWEARINGEN, TRANEL and WITTKE. Referred to Committee on Jobs and the Economy.

1 **AN ACT relating to:** sales tax holiday for sales at certain establishments.

Analysis by the Legislative Reference Bureau

Sales and use tax holiday

Under this bill, beginning on June 1, 2021, and ending on August 31, 2021, the sale of tangible personal property and taxable services sold at any licensed brewpub in this state or at any business that has as its primary business activity in this state an activity classified under the North American Industry Classification System as a motion picture theater, including a drive-in theater; a tavern, restaurant, or other food service establishment; or an amusement park or arcade is exempt from the state sales and use tax. The exemption also applies to the county sales and use tax, the sales tax imposed by a premier resort area, and the food and beverage tax imposed by a local exposition district. Under the bill, if a business did not classify itself on or before March 1, 2021, as an establishment that would qualify to offer the exemption, the business may apply to the Department of Revenue to be classified as one of those establishments for purposes of offering the exemption.

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 and local fiscal estimate, which will be printed as an appendix to this bill.

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

ASSEMBLY BILL 242**SECTION 9137****1 SECTION 9137. Nonstatutory provisions; Revenue.****2 (1) SALES TAX HOLIDAY.**

3 (a) Beginning on June 1, 2021, and ending on August 31, 2021, the sales price
4 from the sale of and the storage, use, or other consumption in this state of tangible
5 personal property and taxable services sold at any establishment that holds a valid
6 brewpub permit issued under s. 125.295 or any establishment that has as its primary
7 business activity in this state an activity classified in the North American Industry
8 Classification System, 2017 edition, published by the U.S. office of management and
9 budget, under the following industry numbers is exempt from the taxes imposed
10 under ss. 77.52, 77.53, 77.70, 77.98, and 77.994:

- 11** 1. 512131 - Motion picture theaters.
- 12** 2. 512132 - Drive-in motion picture theaters.
- 13** 3. 7131 - Amusement parks and arcades.
- 14** 4. 7223 - Special food services.
- 15** 5. 7224 - Drinking places.
- 16** 6. 7225 - Restaurants and other eating places.

17 (b) An establishment that did not classify itself as an establishment engaged
18 in the activities described under par. (a) 1. to 6. on or before March 1, 2021, may apply
19 to the department of revenue, in the manner determined by the department, to be
20 classified as such an establishment for purposes of the exemption under par. (a).

21 (c) The exemption under par. (a) does not apply to a ticket or admission sold for
22 an event or activity that occurs after the period described in par. (a).

23 (d) For purposes of administering this subsection, the department of revenue
24 shall comply with the agreement, as defined in s. 77.65 (2) (a). This subsection is in
25 response to the economic impacts resulting from the state of emergency declared by

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1 the federal government and is intended to minimize the administrative burden on
2 sellers affected by the state of emergency.

3 (2) EMERGENCY STATEMENT WAIVER. Section 16.47 (2) shall not apply to the
4 actions of the legislature in enacting this act.

5 (END)