

Sales and Use Tax Information for Colleges, Universities, and Technical Colleges

Table of Contents

Page

I. INTRODUCTION	1
A. General	1
B. Definitions of College, University, and Technical College	2
C. Difference Between the Sales and Use Tax	2
D. Which Sales Are Subject to Sales and Use Taxes?	3
E. Tax Rate and Tax Base	3
F. Seller's Permits	3
G. Filing Tax Returns and Payment of Tax	4
II. SALES BY COLLEGES, UNIVERSITIES, AND TECHNICAL COLLEGES.....	5
A. General	5
B. Taxable Sales, Leases, Licenses, or Rentals.....	5
C. Nontaxable Sales	8
D. Student Organizations	10
III. PURCHASES BY COLLEGES, UNIVERSITIES, AND TECHNICAL COLLEGES	11
A. Operated by the State of Wisconsin or Another Federal or Wisconsin Governmental Unit	11
B. Private College, University, or Technical College	11
C. Student Organizations	11
IV. CONSTRUCTION FOR COLLEGES, UNIVERSITIES, AND TECHNICAL COLLEGES.....	11
V. RECORDKEEPING.....	12
A. General	12
B. Exemption Certificates and Exemption Claims	12
VI. QUESTIONS OR ADDITIONAL INFORMATION	13
A. Department of Revenue Assistance	13
B. Other Aids	13
VII. ANY SUGGESTIONS?	14

IMPORTANT CHANGES

Updates for Streamlined Sales Tax. The Wisconsin Legislature passed the legislation necessary to conform Wisconsin's sales and use tax laws to the requirements of the Streamlined Sales and Use Tax Agreements (SSUTA) as part of 2009 Wisconsin Acts 2 and 28. The conforming legislation, known as the Main Street Equity Act, became effective October 1, 2009. Changes include:

- **New Definitions of "Food and Food Ingredients," "Candy," "Soft Drinks," "Dietary Supplements," and "Prepared Foods."** Wisconsin law provides an exemption from Wisconsin sales and use tax for all "food and food ingredients" for human consumption except "candy," "soft drinks," "dietary supplements," and "prepared foods." See Part II.B.1. on pages 5 and 6.
- **On-Premise Consumption No Longer a Factor in Determining if Sales of Foods and Food Ingredients Are Subject to Tax.** Effective October 1, 2009, sales of food and food ingredients consumed on the seller's premises are not subject to Wisconsin sales or use tax unless the food or food ingredients meet the definition of "candy," "soft drink," "dietary supplement," or "prepared food." See Part II.B.1. on pages 5 and 6.

Digital Goods Taxable. Effective October 1, 2009, Wisconsin sales and use taxes apply to sales and purchases of "specified digital goods," "additional digital goods," and "digital codes." See Part I.D. on page 3 and Part II.B. 1. on page 5 for additional information.

Sales of Used Motor Vehicles, Boats, Snowmobiles, Recreational Vehicles as Defined in s. 340.01 (48r), Wis. Stats., Trailers, Semi-trailers, All-Terrain Vehicles, and Aircraft by Persons Who are Not Dealers. Any retailer that is registered or required to be registered to collect and remit Wisconsin sales and use taxes, including a college, university, or technical college must collect and remit the applicable state, county, and stadium taxes on its sales of motor vehicles, boats, snowmobiles, recreational vehicles as defined in s. 340.01 (48r), Wis. Stats., trailers, semitrailers, all-terrain vehicles and aircraft, even if they are not "dealers" or "registered dealers" of the item sold. See page 6, right-hand column.

Closed offices. The Department of Revenue has closed some of its offices. Information about how to find a current listing of offices and their hours has been added. Page 13.

I. INTRODUCTION

A. General

This publication provides information about the Wisconsin sales and use tax as it affects colleges, universities, and technical colleges.

Note: Certain sales which are subject to the 5% state sales and use tax may also be subject to the: (a) 0.5% county sales and use tax, (b) 0.1% or 0.5% stadium sales and use tax, (c) 0.5% food and beverage local exposition tax (0.25% prior to July 1, 2010), and (d) 0.5% premier resort area sales tax for the City of Bayfield and the City of Eagle River or 1.0% premier resort area sales tax for the City of Wisconsin Dells and the City of Lake Delton. (**Note:** Prior to January 1, 2010, the premier resort area tax rate for the City of Wisconsin Dells and the Village of Lake Delton was 0.5%) Additional information about these taxes is contained in the following:

- (a) County tax: [Publication 201](#), *Wisconsin Sales and Use Tax Information*, Section XVIII.
- (b) Stadium tax: [Publication 201](#), *Wisconsin Sales and Use Tax Information*, Section XVIII. Applies to sales and purchases made in Brown, Milwaukee, Ozaukee, Racine, Washington, and Waukesha counties.
- (c) Local exposition taxes: [Publication 410](#), *Local Exposition Taxes*. Applies to sales and purchases of certain lodging, food, beverages, and car rentals in municipalities wholly or partially within Milwaukee County.
- (d) Premier resort area tax: [Publication 403](#), *Premier Resort Area Tax*. Applies to certain types of sellers and their sales of tangible personal property; items, property, and goods listed in Part I.D.2. to 4.; and taxable services in the Village of Lake Delton, City of Wisconsin Dells, City of Bayfield, and the City of Eagle River.

Publications [201](#), [403](#), and [410](#) are available from any of the Department of Revenue offices or online at: www.revenue.wi.gov.

If, after reading this publication, you have questions about the sales and use tax, contact the Department of Revenue. Office locations and ways to contact the department are found in Section VI. on page 13.

CAUTION

- The information in this publication reflects the position of the Wisconsin Department of Revenue of laws enacted by the Wisconsin Legislature and in effect as of December 1, 2011. Laws enacted and in effect after that date, new administrative rules, and court decisions may change the interpretations in this publication.
- The examples and lists of taxable and nontaxable sales and purchases provided in this publication are not all-inclusive. They merely set forth common examples.

B. Definitions of College, University, and Technical College

“School,” for purposes of this publication, means a college, university, or technical college.

“College” and “university” mean a nonprofit or public educational institution which provides an educational program for which it awards a bachelor’s or higher degree, or provides a program which is acceptable for full credit toward such a degree or a program of training to prepare students for gainful employment in a recognized occupation, and admits as regular students only individuals having a certificate of graduation from a high school or the recognized equivalent of such a certificate. Examples include the University of Wisconsin, Alverno College, Beloit College, Cardinal Stritch College, Carroll College, Carthage College, Concordia University, Edgewood College, Lakeland College, Lawrence University, Marian College, Marquette University, Mount Mary College, Mount Senario College, Northland College, Ripon College, St. Norbert College, Silver Lake College, Viterbo College, and Wisconsin Lutheran College.

“Technical college” is a school subject to regulation established by the Wisconsin Technical College System Board. Examples include Blackhawk Technical College, Chippewa Valley Technical College, Fox Valley Technical College, Gateway Technical College, Lakeshore Technical College, Madison Area Technical College, Mid-State Technical College, Milwaukee Area Technical College, Moraine Park Technical College, Nicolet Area Technical College, Northcentral Technical College, Northeast Wisconsin Technical College, Southwest Wisconsin Technical College, Waukesha County Technical College, Western Wisconsin Technical College, and Wisconsin Indianhead Technical College.

C. Difference Between the Sales and Use Tax

1. **Sales tax:** The Wisconsin sales tax is a 5% tax imposed on the sales price* of colleges, universities, and technical colleges who sell, license, lease, or rent tangible personal property; items, property, and goods listed in Part I.D.2. to 4.; or taxable services at retail in Wisconsin. Generally, a sale of such property, items, goods, and

services is at retail unless the buyer purchases the property for the purpose of reselling it.

*Sales tax is imposed on a seller's taxable "sales price" rather than "gross receipts," effective October 1, 2009.

2. **Use tax:** The Wisconsin use tax is a 5% tax imposed on the purchase price* of tangible personal property; items, property, and goods listed in Part I.D.2. to 4.; and taxable services that are used, stored, or consumed in Wisconsin, upon which a Wisconsin sales or use tax has not previously been paid.

* Use tax is imposed on a purchaser's taxable "purchase price" rather than "sales price," effective October 1, 2009.

Note: Wisconsin universities, colleges, and technical colleges are not subject to use tax. The reason for this is that all purchases by Wisconsin governmental units and nonprofit schools organized and operated exclusively for religious, educational, scientific, or charitable purposes are exempt from use tax.

D. Which Sales Are Subject to Sales and Use Taxes?

Sales, licenses, leases, and rentals of the following property, items, and goods are subject to sales and use taxes:

1. Tangible personal property;
2. Coins or stamps of the United States that are sold, licensed, leased, rented, or traded as collector's items above their face value;
3. Leased property that is affixed to real property, if the lessor has the right to remove the leased property upon breach or termination of the lease agreement, unless the lessor of the leased property is also the lessor of the real property to which the leased property is affixed;
4. Specified digital goods, additional digital goods, and digital codes. These digital goods are characterized by the fact that they are transferred electronically to the purchaser (i.e., accessed or obtained by the purchaser by means other than tangible storage media). "Specified digital

goods" means "digital audio works," "digital audiovisual works," and "digital books." "Additional digital goods" means greeting cards, finished artwork, periodicals, video or electronic games, and newspapers or other news or information products.

See [Publication 240](#) for a description of the products that are included.

In addition, certain services are subject to Wisconsin sales and use taxes. For a list of taxable services, see Part X.B. of [Publication 201](#).

As used throughout this publication, the terms "property, items, and goods," "property, items, or goods," or "property, item, good," refers to the property, items, and goods described in Part I.D.1. to 4.

As used throughout this publication, the term "digital goods" refers collectively to products listed in Part I.D.4.

E. Tax Rate and Tax Base

The tax rate of 5% is the same for both the Wisconsin state sales and use tax. The sales tax is based upon the sales price from retail sales. The use tax is based upon the purchase price of the property, item, good, or service purchased.

If a sale is subject to the 0.5% county tax, the tax rate is 5.5% (5% state tax and 0.5% county tax). If the sale is subject to the 0.5% football stadium tax, the tax rate is 5.5%. If the sale is subject to the 0.1% baseball stadium tax, the tax rate is 5.1%, or 5.6% if both county tax and the baseball stadium tax apply.

F. Seller's Permits

1. Who Must Have a Seller's Permit?

Every college, university, and technical college making taxable sales in Wisconsin, regardless of whether its sales are mercantile in nature, is required to have a seller's permit, unless all sales by the seller are exempt from sales and use taxes.

The seller's permit shows that the seller is properly registered with the Department of Revenue, as required by law. It is a misdemeanor to make taxable sales of property, items, goods, or services without a seller's permit.

2. Application

A person may apply for a seller's permit using one of the following methods:

- Use the Department of Revenue's online [Business Tax Registration Process](#) to submit the application electronically.
- Complete [Form BTR-101, Application for Business Tax Registration](#), and mail it to the Department of Revenue. Keep a copy of the completed application for your records.

You should apply for a seller's permit at least three weeks before your business operations begin.

3. Business Tax Registration Fees

Colleges, universities, and technical colleges applying for a seller's permit may be required to pay a Business Tax Registration (BTR) fee of \$20. The initial BTR fee covers a period of two years. At the end of that period, a \$10 BTR renewal fee applies. The Department of Revenue will send a renewal notice.

G. Filing Tax Returns and Payment of Tax

Every holder of a Seller's Permit, Use Tax Certificate, or Consumer's Use Tax Certificate must file a return for each reporting period, even if no tax is due for that period. A reporting period may be monthly, quarterly, or annually, depending on the person's annual tax liability. The Department of Revenue will notify each person of their reporting period and the due date for filing returns.

The law requires that sales and use tax returns be filed electronically. Wisconsin sales and use tax returns should be filed using one of the following electronic filing methods:

1. My Tax Account

[My Tax Account](#) is a free, secure online application that allows you to file and pay your sales and use taxes electronically. It performs the necessary computations of tax based on information that you enter and allows you to make your tax payment via electronic funds transfer, credit card, or paper check. [My Tax Account](#) also allows you to:

- View business tax filing and payment history and identify any tax periods that need attention.
- Change your address, obtain an extension to file a return, or inactivate your account.
- File a buyer's claim for refund of sales tax paid to a seller in error.
- Appeal adjustment notices.

To use [My Tax Account](#), you must obtain a logon ID and password from the Department of Revenue. Go to the [My Tax Account FAQs](#) on the Department of Revenue's web site for more information, including how to obtain your logon ID and password.

2. Sales TeleFile

You can file your Wisconsin sales and use tax return with any touch-tone telephone using [TeleFile](#). This program accepts four payment types: Direct withdrawal from your checking or savings account (only available during the call in which you file your return); credit card, check, or money order. To use [TeleFile](#), obtain a Sales TeleFile [Worksheet and Payment Voucher](#) from the Department of Revenue's web site. When you have completed the worksheet, call (608) 261-5340 (Madison number) or (414) 227-3895 (Milwaukee number) to actually file your return.

3. eFile Transmission

This program is a service for taxpayers using approved private vendors' software or who have the technical expertise to create a file in XML format. eFile transmission places return data into a file format that can be directly processed into the Department of Revenue system. Using secure transmission over the Internet you

can submit a payment at the same time that you file your return using ACH debit or ACH credit. You will receive an e-mail acknowledgement to confirm receipt of a successful file transmission. Information about file transmission can be found on the Department of Revenue's web site at <http://www.revenue.wi.gov/eserv/eftgen.html>.

If you have questions about electronic filing or payments, contact the department by writing to Wisconsin Department of Revenue, Electronic Funds Transfer Assistance, Mail Stop 3-80, PO Box 8902, Madison, WI 53708-8902; calling (608) 266-2776; or e-mailing at DORSales-BusinessTaxandWithholding@wisconsin.gov.

II. SALES BY COLLEGES, UNIVERSITIES, AND TECHNICAL COLLEGES

A. General

All sales of property, items, and goods are subject to the sales tax, unless an exemption applies. However, sales of only certain services are taxable. This portion of the publication describes how the sales tax applies to sales by colleges, universities, and technical colleges.

B. Taxable Sales, Leases, Licenses, or Rentals

Caution: The following sales are not taxable if they are mandatory charges which are included in the billing for tuition, as explained in Part II.C.1.

1. Property, Items, and Goods.

Important: If the school charges the purchaser for the delivery of any of the following items, the school's total charge, including the shipping and handling charge, is taxable.

- Over-the-counter sales of magazines, but not newspapers.
- Books, yearbooks, annuals, lecture notes, directories, and bulletins.

- Student course materials (e.g., lab supplies).
- Textbooks, whether a paper version or digital version.
- Digital books.
- Digital audio works.
- Digital audiovisual works.
- Certain other digital goods. See [Publication 240, Digital Goods](#), for additional information.
- Sales of food and food ingredients that meet the definition of candy, soft drink, dietary supplement, or prepared food, unless the food or food ingredient is furnished in accordance with any contract or agreement or paid for to the school through the use of an account of the school to (see Part II.C.2.):

- Students who consume the food and food ingredients and are enrolled for credit at the college, university, or technical college; or
- A National Football League team.

Example: Sales of candy, soft drinks, dietary supplements, and prepared foods to teachers and visitors are taxable.

- A restaurant's sales of candy, soft drinks, dietary supplements, and prepared foods to the restaurant's employees, even if sold to employees during the employee's work hours.

Prior to October 1, 2009, certain food, food products, and beverages and disposable products that were transferred with such items were exempt from Wisconsin sales and use tax if the items were provided by a restaurant to the restaurant's employees during the employee's work hours, regardless of whether the restaurant sold the items to the employee or furnished the items to the employee for no consideration.

Refer to [Publication 220](#), *Grocers - How Do Wisconsin Sales and Use Taxes Affect Your Operations?* for more information including the definitions of "candy," "soft drinks," "dietary supplements," and "prepared food."

- Fermented malt beverages (e.g., beer) and intoxicating liquors
- Food for animals
- Food used in research and experimentation
- Gift shop sales.
- Vending machine sales of:
 - Soft drinks
 - Candy and chewing gum
 - Heated foods, heated beverages, and other prepared foods
 - Dietary supplements
 - Fermented malt beverages and intoxicating liquor
 - Hygiene products
 - Toiletries
- Photocopies, microfilm, videotape, or CD or DVD copies.

Exception: Sales of photocopies of public or confidential records by schools operated by the state, or another governmental unit that is included in the definition of "authority" in sec. 19.32(1), Wis. Stats., are exempt. This exemption applies primarily to transcripts and other records. Copyrighted printed material is not a public record. Therefore, photocopy charges in a library generally are taxable.

Caution: Private schools are not included in the definition of "authority" and all receipts from their sales of photocopies are

taxable, unless some other exemption applies.

- Auction sales. (See [Publication 217](#), *Auctioneers*, for more information.)
- Cap and gown rentals, including collections made by the school for a private vendor.
- Uniforms for employees or others.
- Parts and labor for repairing motor vehicles or other tangible personal property, items, or goods. These charges are taxable even though the customer is only charged for parts at the school's cost.
- Effective October 1, 2009, if the college, university, or technical college is registered to collect and remit or required to be registered to collect and remit Wisconsin sales and use taxes, the college, university, or technical college must also collect and remit the applicable state, county, and/or stadium sales and use tax on its sales of motor vehicles, boats, snowmobiles, recreational vehicles as defined in sec. 340.01(48r), Wis. Stats., trailers, semi-trailers, all-terrain vehicles, and aircraft, even if they are not "dealers" or "registered dealers" of the item sold.

Prior to October 1, 2009, a person who was not a "dealer" or "registered dealer" was not required to collect and remit the applicable Wisconsin state, county, and/or stadium sales and/or use tax on their sales of used motor vehicles, boats, snowmobiles, recreational vehicles as defined in sec. 340.01(48r), Wis. Stats., trailers, semi-trailers, all-terrain vehicles, and aircraft.

- Computer hardware and prewritten computer software.
- Fundraiser sales.
- Portable stages, public address systems, chairs, pianos, forklift trucks, music racks,

spotlights, and projectors to groups using a school's theater.

2. Taxable Services

- Parking or providing parking space for motor vehicles and aircraft, and docking or providing storage space for boats.

Note: Parking fines are not taxable.

- Admissions to events and places which are amusement, athletic, entertainment, or recreational in nature and the furnishing, for dues, fees, or other considerations, the privilege of access to clubs or the privilege of having access to, or the use of, amusement, entertainment, athletic, or recreational facilities.

Examples include:

- Admissions to sporting events, plays, theatrical and musical performances, and dances.
- Access to ball diamonds, tennis courts, swimming pools, gymnasiums, and golf courses.
- Players' or other persons' use of the school's ball diamonds or football fields.
- Season tickets for amusement, athletic, entertainment, or recreational events.
- Optional student activity fees which admit the student to taxable events, services, or facilities, or which permit the student to use tangible personal property.
- Intramural fees paid by students for use of recreational facilities.
- Practice bowling at times other than when a class of instruction is in progress.
- Rentals of auditoriums, gymnasiums, and other multipurpose recreational or

entertainment type facilities to persons who use the facilities for their self-entertainment. However, see Part II.C.4 for exceptions.

- Telecommunications and ancillary services, unless the services are furnished by the school with lodging services.

- Internet access services.

- Services that consist of recording telecommunications messages and transmitting them to the purchaser of the service or at the purchaser's direction.

Exception: These telecommunications messaging services are not taxable if they are merely incidental to a nontaxable service provided to the purchaser.

- Laundry, dry-cleaning, and pressing services.

Caution: Receipts from coin-operated laundry machines are not taxable except when they are activated by tokens or magnetic cards.

- Landscaping and lawn maintenance services.

- Cable television services, including installation or hookup charges.

- Meals (i.e., prepared food), tickets to theatre performances, etc., provided to persons in exchange for donations are subject to sales tax to the extent of their value when the donation equals or exceeds that amount.

Example: Patrons donate \$100 and receive a \$10 meal. Their actual donation is \$90. The \$10 portion for the meal is subject to the sales tax.

- Printing or imprinting tangible personal property or other property, items, or goods, except certain catalogs and their mailing envelopes.

Exception: Printing or imprinting tangible personal property or other property, items, or goods that results in printed advertising materials which will be subsequently transported outside Wisconsin by the purchaser for use solely outside Wisconsin is not taxable.

C. Nontaxable Sales

Caution: The nontaxable sales and receipts illustrated below are applicable to schools. The examples given may not apply to activities conducted by other entities.

1. Tuition, activity, and course instruction fees.

Charges for student tuition are not taxable because they are for educational services. If the billing for tuition includes **mandatory charges** for materials (which are incidental to the educational services) or mandatory charges for otherwise taxable services, the entire billing is considered to be for a nontaxable educational service. This is the case whether or not the mandatory charges for materials or taxable services are separately stated on the billing for tuition issued to the student.

a. Examples of sales, licenses, leases, or rentals of tangible personal property which are **not taxable** include:

- Mandatory charges for textbooks, laboratory materials, or supplies and equipment rentals included in the billing for tuition.
- Mandatory rentals of golf clubs included in the billing for tuition for a specific educational course in golfing.

b. Examples of sales of services which are **not taxable** include:

- Mandatory student activity fees which are included in the billing for tuition. These activity fees may provide admissions or reduced admissions to social, sporting, recreational, or athletic events or places, or to parking spaces.

Example: If a charge of \$50 is included in the activity fee for parking privileges, and all students must pay this fee, regardless of whether or not they drive, the \$50 charge is not taxable.

Caution: If only the students who are actually going to use the parking facilities are charged the \$50 parking fee, the \$50 charge is taxable.

- Admission to a golf course or bowling center which is required as part of a specific course in golf or bowling.

Minor deviations in billing procedures will not void this basic exemption and the transaction will still be exempt. For example:

- A course is dropped two weeks after the original registration date and the student pays for a substitute course at this later date.
- Activity fees are charged all students at the main campus, but satellite locations not offering activities do not have an activity fee.
- Each tuition billing includes charges for different materials, depending on courses.
- Separate charges for required textbooks are included in the original tuition billing and the student subsequently picks up the books at the college operated bookstore.

Caution:

- (1) Except as described under minor deviations above, mandatory charges for materials and other property, items, and goods billed subsequent to the billing for tuition are subject to sales tax.
- (2) Taxable services billed subsequent to the billing for tuition are taxable, unless the services billed are required by a specific educational course and, therefore, considered to be part of the nontaxable educational service.

2. Food and food ingredients, including candy, soft drinks, dietary supplements, and prepared food, furnished in accordance with any contract or agreement or paid for to such institution through the use of an account of such institution, by a public or private institution of higher education, are exempt if:
 - The items are furnished to an undergraduate student, a graduate student, or a student enrolled in a professional school if the student is enrolled for credit at that institution and if the items are consumed by that student, or
 - The items are furnished to a National Football League team.
3. Furnishing rooms or lodging to students or any other persons, regardless of the duration.
4. Rental of auditoriums, gymnasiums, and other multipurpose facilities (including associated charges for heat, light, and janitor fees) are not taxable admissions to amusement, athletic, entertainment, or recreational facilities when:
 - The facility is rented to a promoter or professional group which will convert it to a place of recreation, amusement, or entertainment and sell admissions to the public.
 - The facility is rented to a promoter or group which conducts a nonrecreational-type event on the premises, such as a religious meeting, graduation ceremony, political meeting, trade show, antique show, or wedding ceremony.
5. Membership dues in a school's student union.
6. Admission to facilities that are used primarily for fitness or health.

Caution: The following sales of food products are subject to Wisconsin sales or use tax, unless an exemption applies (e.g., sales to Wisconsin governmental units, sales for resale, etc.):

- Prepared foods, candy, soft drinks, and dietary supplements sold to professors, teachers, and administrators.
- Prepared foods, candy, soft drinks and dietary supplements sold at wedding receptions.
- Prepared foods, candy, soft drinks and dietary supplements sold to employees, even if sold to the employees during the employees work hours.

Prior to October 1, 2009, certain food, food products, and beverages and disposable products that were transferred with such items were exempt from Wisconsin sales and use tax if the items were provided by a restaurant to the restaurant's employees during the employee's work hours, regardless of whether the restaurant sold the items to the employee or furnished the items to the employee for no consideration.

An admission to a facility is primarily for fitness and health if users spend more than 50% of their overall time using the following nontaxable facilities:

- Aerobics classes
- All lessons (swimming, tennis, golf, etc.)
- Free weights and machines
- Whirlpool, sauna
- Running track (other than for races)
- Exercycles, lifecycles
- Rowing machines
- Stepping machines
- X-country ski machines
- Treadmills
- Tanning booths and beds
- Massage table/room

A reasonable method of determining nontaxable use is a representative survey of participants and their time spent in each facility. Schools must keep adequate records to substantiate how they determine the primary purpose of the participants' use of the facilities.

Example 1: A school's health and fitness center has two membership plans. The blue card membership (\$30/month) entitles members to use the weight room, swimming pool, running track, and exercise machines. A separate fee is charged to blue card members for the use of racquetball courts. The gold card membership (\$40/month) entitles members to use all of the above facilities and also entitles the members to use the racquetball courts with no additional charge.

Based on a survey of blue card members, the club has found that these members spend 30% of their time swimming (free swim or lap swim, no lessons: taxable activity) and the remaining 70% of their time in nontaxable activities, including running, exercising, and lifting weights. Since the primary purpose of the blue card members is to use the facilities for nontaxable activities, the club's receipts from all of the blue card memberships are not subject to sales tax.

Based on a survey of gold card members, the club has found that these members spend 75% of their time swimming or playing racquetball (taxable activities) and the remaining 25% of their time in nontaxable activities. Since the primary purpose of the gold card members is to use the facilities for taxable activities, the club's receipts from all of the gold card memberships are subject to sales tax.

Example 2: A school's health and fitness center charges a single fee to its members for the use of tennis courts, racquetball courts, a swimming pool, a running track, and exercise machines. In a study conducted by the club, in which it observed and recorded the use made of each area of the club, it found that 65% of the members' time was spent in taxable activities (playing tennis, racquetball, and swimming) and the remaining 35% of the members' time was spent

in nontaxable activities (running and exercising).

Since the primary purpose of the members was to use the facilities for taxable activities, all of the club's membership fees are subject to sales tax.

Note: Even in situations where the primary purpose of the members is to use the facilities for nontaxable activities and, therefore, the organization's fee has been determined to be nontaxable, any separate charges for taxable activities, services, or property are subject to sales tax.

7. Lessons.
8. Charges for mandatory or optional appliance hookups or rentals of refrigerators, microwaves, etc., to dorm residents by the school, but not cable television services. Appliance rentals from other vendors are taxable unless the vendor has a contract with the school and the students directly pay the school.
9. Library and book fines and charges for books not returned.
10. Advertising space in newspapers, brochures, and programs.

D. Student Organizations

1. Independent, nonprofit student organizations which control their own funds, and are not otherwise required to hold a seller's permit, may not be required to charge sales tax on their sales of otherwise taxable tangible personal property, property, items, goods, or services if the sales qualify as "occasional sales." (See [Publication 206](#), *Sales Tax Exemption for Nonprofit Organizations*, for more information.)
2. If a student organization is a part of the school, the tax treatment of its sales is the same as that of the school.

III. PURCHASES BY COLLEGES, UNIVERSITIES, AND TECHNICAL COLLEGES

Note: The exemption that a college, university, or technical college has for its purchases does not extend to purchases by others, such as contractors hired by the college, university, or technical college or another state's university system.

A. Operated by the State of Wisconsin or Another Federal or Wisconsin Governmental Unit (e.g., UW-Madison, UW Eau Claire, Madison Area Technical College)

All property, items, goods, and services may be purchased exempt from Wisconsin sales or use tax. To claim the exemption, the college, university, or technical college must give the seller one of the following:

1. A completed purchase order or similar document clearly identifying the college, university, or technical college as the purchaser.
2. A Wisconsin Sales and Use Tax Exemption Certificate ([Form S-211](#) or [Form S-211-SST](#)).
3. The Certificate of Exempt Status (CES) number issued by the Department of Revenue.

B. Private College, University, or Technical College (e.g., private nonprofit schools which are not operated by the State of Wisconsin or another governmental unit or agency, but which are operated exclusively for religious, charitable, scientific, or educational purposes and have been issued a CES by the Wisconsin Department of Revenue)

All property, items, goods, and services may be purchased exempt from Wisconsin sales or use tax. To claim the exemption, the school must give the seller the CES number issued by the Wisconsin Department of Revenue or an exemption certificate ([Form S-211](#) or [Form S-211-SST](#)).

C. Student Organizations

1. Student organizations which are a part of the school may make purchases exempt from sales tax in the same manner as their respective schools, as outlined in Part III.A. or B. above.
2. Student organizations which are separate from the school, but are organized and operated exclusively for religious, charitable, scientific, or educational purposes, may qualify for a CES and should apply to the Wisconsin Department of Revenue for their own number. The school's CES number should not be used.

If there is a question about the student organization being separate, or a part of the school, contact the Wisconsin Department of Revenue for a determination.

IV. CONSTRUCTION FOR COLLEGES, UNIVERSITIES, AND TECHNICAL COLLEGES

Even though a contractor is constructing, altering, repairing, or improving real property for a school, sales of building materials to the contractor for use in real property construction are taxable. The reason for this treatment is that the contractor is the consumer of the building materials used in constructing, altering, repairing, or improving the real property. Therefore, the sale to the contractor is a retail sale and is subject to tax.

Note: The exemption that a college, university, or technical college has for its purchases does not extend to purchases by others, such as contractors hired by the college, university, or technical college or another state's university system.

For more information about construction for schools and other exempt entities, see [Publication 207](#), *Sales and Use Tax Information for Construction Contractors*, which may be obtained from any department office or online at www.revenue.wi.gov.

V. RECORDKEEPING

A. General

Every school required to have a seller's permit must keep adequate records of business transactions to enable the school, as well as the Department of Revenue, to determine the correct amount of tax for which the school is liable. The law requires that all persons (including schools) must report their sales using the accrual accounting method, unless the Department of Revenue determines an undue hardship would result. The cash basis is then permitted.

Schools selling taxable property, items, goods, or taxable services that are sourced to a county which has adopted the county tax or a stadium district must also keep records showing the sales and use tax due in that county or stadium district.

See [sec. Tax 11.92, Wis. Adm. Code, "Records and record keeping."](#)

B. Exemption Certificates and Exemption Claims

If a school claims that part or all of its retail sales of property, items, goods, or taxable services are exempt from sales and use tax, the school must keep a record of the name and address of the person to whom the exempt sale was made, the date of sale, the article sold, the amount of exemption, and the reason the sale was exempt from tax.

The reason for keeping such records is that the sales and use tax law provides that all receipts are taxable until the contrary is established. The seller (school) has the burden of proving that a sale of the property, item, good, or taxable service is exempt, unless the seller takes a certificate (or other information as described in Part V.B.3. and 4. below) in an approved form from the purchaser no more than 90 days after the date of the sale which indicates that the property, item, good, or service being purchased is for resale or is otherwise exempt.

Four common reasons that sales of property, items, goods, or taxable services may be exempt are:

1. The purchaser furnishes the seller an exemption certificate claiming resale. The certificate is given to the seller because the purchaser de-

clares that he or she is going to resell the item or service.

2. The purchaser uses the item purchased in an exempt manner (for example, the item is going to be used exclusively and directly in manufacturing or in farming and is, therefore, exempt). The seller should obtain a completed exemption certificate from the purchaser.
3. The purchaser is an exempt organization (such as a church, federal governmental unit, federally recognized American Indian tribe or band in Wisconsin, or Wisconsin governmental unit, including Wisconsin municipalities and public schools). Sales to federal and Wisconsin governmental units, including Wisconsin municipalities and public schools, and sales to any federally recognized American Indian tribe or band in Wisconsin do not have to be supported by exemption certificates. However, an exemption certificate, a copy of the purchase order from the governmental unit, or an invoice copy indicating the unit's CES number must be retained as part of the seller's records.

For exempt sales to organizations holding a CES number (such as, a church), the number should be recorded on the invoice or an exemption certificate obtained.

Nonprofit organizations organized and operated exclusively for religious, charitable, scientific, or educational purposes, or for the prevention of cruelty to children or animals, may apply to the Department of Revenue for a CES and if approved, will be issued an exempt status number by the department.

4. The purchaser furnishes the seller (a) a copy of its Wisconsin direct pay permit or (b) a statement that the purchaser holds a Wisconsin direct pay permit, the permit number, and the date the permit was issued. The purchaser is subject to Wisconsin use tax on the purchase price if the property or service purchased is used in a taxable manner.

Note: If exemptions are claimed for any of the above four reasons, the seller must keep the com-

pleted certificates, purchase orders, and invoices to prove that the sales were exempt.

partment of Revenue office or at www.revenue.wi.gov/html/taxpubs.html.

VI. QUESTIONS OR ADDITIONAL INFORMATION

A. Department of Revenue Assistance

If you have a question about Wisconsin sales and use taxes, you may contact the Department of Revenue as follows:

Visit our web site . . . www.revenue.wi.gov

E-Mail . . . sales10@revenue.wi.gov

Write . . . Wisconsin Department of Revenue
Mail Stop 5-77
PO Box 8949
Madison, WI 53708-8949

Telephone... (608) 266-2776

Fax . . . (608) 267-1030

You may also contact any of the Department of Revenue offices. For a listing of offices and their current hours, please see the department's web site at: www.revenue.wi.gov/faqs/ise/address.html.

B. Other Aids

Other informational aids available include:

1. Sales and Use Tax Report

The [Sales and Use Tax Report](#) is published one or more times each year by the Department of Revenue. It includes general information about sales and use tax, including new tax laws enacted by the legislature. These reports are available on the department's web site at: www.revenue.wi.gov/ise/sales/index.html.

Notification of new *Sales and Use Tax Reports* will be sent to subscribers of the sales and use tax electronic mail list.

2. Publications

You may obtain the following sales and use tax and other local tax publications from any De-

Number	Subject
200	Electrical Contractors
201	Wisconsin Sales and Use Tax Information
202	Sales and Use Tax Information: Motor Vehicle Sales, Leases, and Repairs
203	Sales and Use Tax Information for Manufacturers
205	Use Tax Information for Individuals
206	Sales Tax Exemption for Nonprofit Organizations
207	Sales and Use Tax Information for Contractors
209	Sales and Use Tax Information for Wisconsin Counties and Municipalities
210	Sales and Use Tax Treatment of Landscaping
211	Cemetery Monument Dealers
212	Businesses: Do You Owe Use Tax on Imported Goods?
214	Businesses: Do You Owe Use Tax?
216	Filing Claims for Refund of Sales or Use Tax
217	Auctioneers
219	Hotels, Motels, and Other Lodging Providers
220	Grocers
221	Farm Suppliers and Farmers
222	Motor Vehicle Fuel Users
223	Bakeries
224	Veterinarians
225	Barber and Beauty Shops
226	Golf Courses
228	Temporary Events
229	Brackets for Collecting Wisconsin Sales or Use Tax Paid on Retail Sales

Number	Subject
230	Sales and Use Tax Information for Sellers of Antiques, Crafts, and Artwork
240	Digital Goods
403	Premier Resort Area Tax
405	Wisconsin Taxation of Native Americans
410	Local Exposition Taxes

Notification of new and revised publications will be sent to subscribers of the sales and use tax electronic mail list.

3. Wisconsin Tax Bulletin

The [Wisconsin Tax Bulletin](#) is a quarterly publication of the Department of Revenue which is available under the “Publications” tab on the department’s web site at www.revenue.wi.gov. The Bulletin includes information on most taxes administered by the Department of Revenue, including sales and use, income, franchise, and excise taxes. It includes up-to-date information on new tax laws, interpretations of existing laws, and information on filing returns. It gives brief excerpts of major Wisconsin tax cases decided by the Wisconsin Tax Appeals Commission and the courts.

Notification of new bulletins will be sent to subscribers of the sales and use tax electronic mail list.

4. Rules - Wisconsin Administrative Code

The [Wisconsin Administrative Code](#) includes administrative rules that interpret the Wisconsin Statutes. Rules have the force and effect of law. The Department of Revenue has adopted a number of rules pertaining to sales and use tax.

A subscription and update service which provides all new Department of Revenue rules and changes to existing rules, may be purchased from Department of Administration Document Sales.

The administrative rules are also available for viewing on the Revisor of Statutes web site at <http://legis.wisconsin.gov/rsb/code/tax/tax011.pdf>.

5. Topical and Court Case Index

The [Topical and Court Case Index](#) is a two-part index. The first part (a Topical Index) will help you find the particular Wisconsin Statute, administrative rule, *Wisconsin Tax Bulletin* tax release, private letter ruling, or Attorney General opinion that deals with your particular tax question. The second part of the index (a Court Case Index) lists Wisconsin Tax Appeals Commission, circuit Court, Court of Appeals, and Wisconsin Supreme Court decisions relating to your question. The *Topical and Court Case Index* is available on the department’s web site at www.revenue.wi.gov under the “Publications” tab.

6. Electronic Mailing Lists

The Department of Revenue has several electronic mailing lists available to the public. The goal is to provide communication from the department to list members on information and news specific to the respective list they have signed up for.

For additional information or to subscribe, go to www.revenue.wi.gov/html/lists.html.

VII. ANY SUGGESTIONS?

The Department of Revenue wants this publication to be as complete and informative as possible. If you have any suggestions to improve this publication, please either call or write to:

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PO Box 8949, Mail Stop 5-77
Madison, WI 53708-8949
(608) 266-2776