



# Colleges, Universities, and Technical Colleges

## Sales and Use Tax Information

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**IMPORTANT CHANGES SINCE LAST REVISION**

**Marketplace providers.** Information about marketplace providers has been added to Part 1.H.

**Internet access.** Charges for internet access are no longer taxable. See Part 2.C.

**Building materials sold to contractors for use in constructing certain facilities for certain exempt entities.** An exemption for building materials sold to a construction contractor who, in fulfillment of a real property construction activity, transfers the building materials to certain exempt entities, if the building materials become part of a "facility" in Wisconsin, owned by the exempt entity. See Part 4.

See the [Sales Tax Rate Chart](#) for current sales tax rates in Wisconsin. Recent rate changes include:

- Racine County imposes 0.5% county sales and use tax, effective April 1, 2025.
- Manitowoc County imposes 0.5% county sales and use tax, effective January 1, 2025.
- Milwaukee County tax rate increased from 0.5% to 0.9%, effective January 1, 2024.
- City of Milwaukee imposes a 2% city tax, effective January 1, 2024.

**Applicable Laws and Rules**

This document provides statements or interpretations of the following laws and regulations enacted as of April 30, 2026: Ch. 77, [Wis. Stats.](#), and ch. Tax 11, [Wis. Adm. Code](#).

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 Guidance issued prior to this date, that is contrary to the information in this document is superseded by this document, according to sec. 73.16(2)(a), Wis.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

**1. INTRODUCTION****A. General**

This publication explains the Wisconsin sales and use tax treatment of sales and purchases by colleges, universities, and technical colleges.

Sales which are subject to the 5% state sales and use tax may also be subject to:

- 0.5% or 0.9% county sales and use tax
- 2% city of Milwaukee sales and use tax
- 0.5% food and beverage local exposition tax
- 0.5% or 1.25% premier resort area tax

For additional information about these taxes, refer to:

- [Publication 201](#), *Wisconsin Sales and Use Tax Information*.
- [Publication 410](#), *Local Exposition Taxes*. These taxes apply to sales and purchases of certain lodging, food, beverages, and car rentals in municipalities wholly or partially within Milwaukee County.
- [Publication 403](#), *Premier Resort Area Tax*. This tax applies to certain types of sellers with taxable sales sourced to a premier resort area.

## 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:

University of Wisconsin, Alverno College, Beloit College, Carroll University, Carthage College, Concordia University, Edgewood College, Lakeland University, Lawrence University, Marian University, Marquette University, Mount Mary University, Ripon College, St. Norbert College, Viterbo University, 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 College, Madison Area Technical College, Mid-State Technical College, Milwaukee Area Technical College, Moraine Park Technical College, Nicolet College, Northcentral Technical College, Northeast Wisconsin Technical College, Northwood Technical College, Southwest Wisconsin Technical College, Waukesha County Technical College, and Western Technical College.

## C. Difference Between the Sales and Use Tax

Sales tax is imposed on the sales price of taxable products and services sold by colleges, universities, and technical colleges at retail in Wisconsin. Generally, a sale of taxable products or services is at retail unless the buyer purchases the property for the purpose of reselling it.

Use tax is imposed on the purchase price of taxable products and services used, stored, or consumed in Wisconsin, upon which a Wisconsin sales or use tax has not previously been paid.

**Note:** Wisconsin universities, colleges, and technical colleges are not subject to use tax. All purchases by Wisconsin governmental units and nonprofit schools that are exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code are exempt from use tax.

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

Sales, licenses, leases, and rentals of tangible personal property, certain coins and stamps, certain leased property affixed to realty, certain digital goods, and certain services are subject to Wisconsin sales tax. **Note:** Certain sales by a college, university, or technical college are exempt from tax. See Part 2.C. for examples.

For more information about taxable products and services, see [What Is Taxable?](#) or [Publication 201](#), *Wisconsin Sales and Use Tax Information*.

## E. Tax Rate and Tax Base

The tax rate for both the Wisconsin state sales and use tax is 5%. Sales tax is based on the sales price of a retail sale. Use tax is based on the purchase price of the taxable product or service purchased on which sales tax was not paid.

If a sale is subject to the 5% state tax, a county tax (0.5% or 0.9%) or city tax (2%) may also apply. Find current [Tax Rates](#) on our website.

## 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:

- Apply online at [revenue.wi.gov](http://revenue.wi.gov). Select *My Tax Account* then select *Register a Business*.
- Complete and mail [Form BTR-101](#), *Application for Wisconsin Business Tax Registration*. Keep a copy of the completed application for your records.

You must apply for a seller's permit before your taxable business operations begin.

### (3) Business Tax Registration Fee

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 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

If you hold an active permit, you must file a return for each reporting period even if no tax is due. The Department of Revenue will notify each person of their reporting frequency and the due date for filing.

Sales and use tax returns must be filed electronically unless an electronic filing waiver is granted. Electronic filing options include:

- (1) [My Tax Account](#) a free, secure online filing option that allows you to file and pay your sales and use taxes electronically.
- (2) [Sales TeleFile](#) allows you to file and pay your Wisconsin sales and use tax return with any touch-tone telephone. Call (608) 261-5340 or (414) 227-3895 to file and pay by TeleFile.
- (3) [e-File Transmission](#) is for taxpayers using approved private vendor software or who have the technical expertise to create an XML file. File transmission places return data into a file format that can be directly processed into the Department of Revenue system. You can pay when you file.

## H. Marketplace Providers

A marketplace provider is required to collect and remit Wisconsin sales and use tax on all sales of taxable products and services that the marketplace provider facilitates on behalf of a marketplace seller, unless a waiver has been granted by the department. A marketplace provider is required to notify the marketplace seller that it is collecting and remitting tax on all taxable sales in Wisconsin.

A marketplace provider is any person who facilitates a retail sale on behalf of another seller by listing or advertising for sale, in any manner, the seller's taxable products or services, and who directly or indirectly processes the payment for the purchaser regardless of whether the person receives compensation or other consideration in exchange for their services. A marketplace provider includes a person or entity that facilitates a sale on behalf of a seller at a storefront or other physical location.

**Note:** When a nonprofit organization engages the services of a marketplace provider, the sales are made by the marketplace provider and are taxable. The nonprofit occasional sales exemption that may apply to sales by a nonprofit organization, does not apply to the marketplace provider's sales. See the [Marketplace Provider](#) common questions and sec. [Tax 11.555](#), Wis. Adm. Code, for additional information.

## 2. SALES BY COLLEGES, UNIVERSITIES, AND TECHNICAL COLLEGES

### A. General

All sales of tangible personal property, items, and goods (taxable products) and certain services are subject to the sales tax, unless an exemption applies.

### 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 2.C.

#### (1) Tangible Personal 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 candy, soft drinks, dietary supplements, and prepared foods, including sales to teachers and visitors

**Exception:** Sales of candy, soft drinks, dietary supplements, and prepared foods furnished in accordance with any contract or agreement or paid to the school through the use of an account of the school to the following are exempt from tax (see Part 2.C.(2)):

- Students who consume candy, soft drinks, dietary supplements, or prepared foods and are enrolled for credit at the college, university, or technical college; or
- A National Football League team.

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 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
- 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.
- Motor vehicles, boats, snowmobiles, recreational vehicles as defined in sec. 340.01(48r), Wis. Stats., trailers, semitrailers, all-terrain vehicles, utility terrain vehicles, off-highway motorcycle as defined in sec. [23.335\(1\)\(q\)](#), Wis. Stats., and aircraft
- Computer hardware and prewritten computer software
- Fundraiser sales
- Portable stages, public address systems, chairs, pianos, forklift trucks, music racks, spotlights, and projectors rented to groups using a school's theater

## (2) Taxable Services

- Parking or providing parking space for motor vehicles and aircraft; 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.
- Fees for bowling, unless for class instruction.
- 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 2.C.(4) for exceptions.

See [Fact Sheet 2107](#), *Rentals of Multipurpose Facilities*, for additional information and examples.

- Telecommunications and ancillary services unless the services are furnished by the school with lodging services.
- Services that consist of recording telecommunication messages and transmitting them to the purchaser of the service or at the purchaser's direction (e.g., text messages, email blasts).

**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.

**Exception:** Receipts from self-service laundry machines are not taxable.

- 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 if the printing results in one of the following:
  - Exempt catalogs and their mailing envelopes
  - Advertising and promotional direct mail
  - Printed advertising materials subsequently transported outside Wisconsin by the purchaser for use solely outside Wisconsin

See Part 6.B. of [Publication 235](#), *Advertising Companies*, for information about exemptions for certain printed materials, including the definition of and explanation of advertising and promotional direct mail.

### 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 included in the billing for tuition. These 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 going to use the parking facilities are charged the parking fee, the \$50 charge is taxable.

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

## (c) 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 to 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:**

- Except as described as minor deviations above, mandatory charges for materials and other property, items, and goods billed after the billing for tuition are subject to sales tax.
- Taxable services billed after 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.

**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):

- 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.
- (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 promoter or professional group must provide the school with a fully completed [exemption certificate](#) (e.g., Form S-211) claiming resale.
  - 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.

See [Fact Sheet 2107](#), *Rentals of Multipurpose Facilities*, for additional information and examples.

- (5) Membership dues in a school's student union.
- (6) Admission to facilities used primarily for fitness or health.

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

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 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, it observed and recorded the use made of each area of the club and found 65% of the members' time was spent in taxable activities (playing tennis, racquetball, and swimming) and 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.
- (11) Internet access services.

#### 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."

For additional information about sales by student organizations and the occasional sale exemption, see the following:

- [Publication 206](#), *Sales Tax Exemptions for Nonprofit Organizations*.
- [Publication 245](#), *Sales and Use Tax Information for Schools*, "School-Related Organizations."

- (2) If a student organization is a part of the school, the tax treatment of its sales is the same as the school.

### 3. PURCHASES BY COLLEGES, UNIVERSITIES, AND TECHNICAL COLLEGES

The exemption 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. See Part 4 for information regarding certain contractor purchases.

#### 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 taxable products 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](#) (e.g., Form S-211).
- (3) The Certificate of Exempt Status (CES) number issued by the Department of Revenue.

Generally, non-Wisconsin public colleges and universities DO NOT qualify for exemption from Wisconsin sales tax on their purchases.

#### B. Private College, University, or Technical College (e.g., private Wisconsin nonprofit schools which are not operated by the State of Wisconsin or another Wisconsin governmental unit or agency, but which meet the requirements of section 501(c)(3) and have been issued a CES by the Wisconsin Department of Revenue).

All taxable products 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 a fully completed [exemption certificate](#) (e.g., Form S-211).

**Note:** Non-Wisconsin private colleges and universities qualify for exemption from Wisconsin sales tax on their purchases if the college or university holds a 501(c)(3) determination letter from the Internal Revenue Service. A non-Wisconsin qualifying school is not required to obtain a CES number in order to make exempt purchases. The school should provide the vendor with a fully completed [exemption certificate](#) (e.g., Form S-211) claiming the exemption for organizations meeting the requirements of section 501(c)(3) of the IRS.

#### C. Student Organizations

- (1) Student organizations which are a part of the school, as outlined in A. or B. above, may make purchases exempt from sales tax in the same manner as their school.
- (2) Student organizations which are separate from the school but hold a 501(c)(3) determination letter from the IRS, 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.

For additional information, see [Publication 245](#), *Sales and Use Tax Information for Schools*.

## 4. CONSTRUCTION FOR COLLEGES, UNIVERSITIES, AND TECHNICAL COLLEGES

Generally, a contractor's purchase of building materials used in constructing, altering, repairing, or improving real property is taxable unless an exemption applies. The contractor is the consumer of the building materials used in constructing, altering, repairing, or improving the real property.

The exemption 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.

**Exception:** Wisconsin law provides an exemption from sales and use tax in sec. [77.54\(9m\)](#), Wis. Stats., for property sold to a construction contractor who, in fulfillment of a real property construction activity, transfers the property to a qualifying exempt entity, if the property becomes part of a facility in Wisconsin owned by the qualifying exempt entity.

A qualifying exempt entity includes a technical college district, any institution as defined in sec. 36.05(9), Wis. Stats., or campus as defined in sec. 36.05(6m), Wis. Stats., in the University of Wisconsin System, and the University of Wisconsin-Extension. Facility for purposes of this exemption, means any building, shelter, parking lot, parking garage, athletic field, athletic park, storm sewer, water supply system, or sewerage and waste water treatment facility, but does not include a highway, street, or road.

For more information about construction for schools and other exempt entities, see the article on our website titled, "[Exemption for Building Materials That Become Part of Facility Owned by Local Government or Qualifying Exempt Entity](#)" and [Publication 207](#), *Sales and Use Tax Information for Contractors*.

## 5. RECORDKEEPING

### A. General

Every school making sales 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 all persons (including schools) that are required to file sales tax returns to 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 products or services sourced to a county or city which has adopted county tax or city tax, must also keep records showing the sales and use tax due in that county and/or city.

### B. Exemption Certificates and Exemption Claims

If a school claims part or all of its retail sales of taxable products and 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.

All sales of products and select services are taxable until the contrary is established. The seller (school) has the burden of proving a sale of the product or taxable service is exempt. **Note:** If exemptions are claimed by a purchaser, the school must keep the completed exemption certificates, purchase orders, and invoices to prove the sales were exempt.

Four common reasons that sales of taxable products and services may be exempt are:

- (1) **Resale.** The purchaser furnishes the school an exemption certificate claiming resale (see exemption certificate instructions). The certificate is given to the school because the purchaser declares that the item is going to be resold.

- (2) **Exempt use.** The purchaser uses the item purchased in an exempt manner (e.g., the item is going to be used exclusively and directly in manufacturing or in farming and is, therefore, exempt). The school should obtain a completed exemption certificate from the purchaser.
- (3) **Sale to an exempt organization.** The purchaser is an exempt organizations such as a church, federal governmental unit, federally recognized American Indian Tribe or band in Wisconsin, or Wisconsin governmental unit, including Wisconsin municipalities and Wisconsin public schools, or certain nonprofit organizations.

To prove the sale of the product or taxable service is exempt, the school must keep one of the following:

- (a) An exemption certificate from the exempt organization
  - (b) A copy of the school's sales invoice with the exempt organization's CES number recorded on the invoice (for more information, see [Certain Nonprofit Organizations](#) in the exemption certificate instructions)
  - (c) If the exempt organization is a federal or Wisconsin governmental unit, including a Wisconsin municipality or Wisconsin public school, or a federally recognized American Indian tribe or band in Wisconsin, a copy of the purchase order identifying the exempt organization as the purchaser is also acceptable documentation
- (4) **Direct pay permit.** The purchaser furnishes the school a copy of the purchaser's Wisconsin direct pay permit or 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 product or service purchased is used in a taxable manner.

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

## 6. ADDITIONAL INFORMATION

If you have questions about Wisconsin sales and use tax, visit the department's website, email, write, or call:

Visit our website: [revenue.wi.gov](http://revenue.wi.gov)

Email: [DORSalesandUse@wisconsin.gov](mailto:DORSalesandUse@wisconsin.gov)

Write: Wisconsin Department of Revenue  
P.O. 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. See the [list of offices](#) and their current hours.