

Instructions for Wisconsin Sales and Use Tax Exemption Certificate

S-211 and S-211E

This certificate may be used to claim exemption from Wisconsin state, county, local exposition, and premier resort taxes.

Under the sales and use tax law, all receipts from sales of tangible personal property, property, items and goods under sec. 77.52(1)(b), (c), and (d), or taxable services are subject to the tax until the contrary is established. However, a seller who receives a fully completed exemption certificate no later than 90 days after the date of sale is relieved of any responsibility for collection or payment of the tax upon transactions covered by the certificate. A fully completed certificate must include (1) the complete name and address of the purchaser, (2) general description of the purchaser's business (type of business), (3) reason for exemption, and (4) signature of purchaser unless the certificate is received electronically.

RESALE

A purchaser using the resale exemption is attesting that the taxable products or taxable services being purchased will be resold, leased, licensed, or rented. However, if any such product is used for any purpose other than retention, demonstration, or display while holding it for sale, lease, license, or rental in the regular course of business, the purchaser is required to report and pay tax on the purchase of the product.

The following purchasers may make purchases for resale even though they do not hold a Wisconsin seller's permit or use tax certificate:

- A wholesaler who only sells to other sellers for resale may insert "Wholesale only" in the space for the tax identification number
- A person who only sells or repairs exempt property, such as to a manufacturer or farmer, may insert "Exempt sales only"
- A nonprofit organization may insert "Exempt sales only" if its sales are exempt as occasional sales
- A seller may insert "Exempt sales only" if all of its taxable sales are facilitated by a marketplace provider

Drop shipments: A seller may accept an exemption certificate claiming resale from an out-of-state retailer when the seller is directed to ship the product to a consumer in Wisconsin even if the out-of-state retailer does not hold a Wisconsin seller's permit. The out-of-state retailer's permit number, if the other state issues one, and state should be listed on the exemption certificate provided to the seller. If the exemption certificate does not list the out-of-state retailer's Wisconsin seller's permit number or out-of-state retailer's permit number and state, the exemption certificate must contain a statement indicating the out-of-state retailer is not required to hold a permit (e.g., out-of-state retailer is a remote seller and qualifies for the small seller exception) to be fully complete and valid.

A purchaser may claim the resale exemption if the purchaser does not know at the time of purchase whether the property will be sold or will be used for some other purpose. If the buyer purchases an item without tax for resale, but uses the item, the buyer owes use tax on its purchase of the item.

MANUFACTURING

"Manufacturing" means the production by machinery of a new article of tangible personal property or items or property under sec. 77.52(1)(b) or (c) with a different form, use, and name from existing materials, by a process popularly regarded as manufacturing, and that begins with the conveying raw materials and supplies from plant inventory to the place where work is performed in the same plant and ends with conveying finished units of tangible personal property or items or property under sec. 77.52(1)(b) or (c) to the point of first storage in the same plant.

FARMING

This certificate may not be used by farmers to claim exemption for the purchase of motor vehicles or trailers for highway use, lawn or garden tractors, snowmobiles, or for items used for the personal convenience of the farmer. When claiming an exemption for an ATV which is also registered for public use, a written description including the percentages of time for personal and farm use, must be submitted with the ATV Registration Application.

The sales price from the sale of electricity, natural gas, and other fuels for use in farming is exempt all 12 months of the year. Farmers claiming this exemption should check the box for electricity and fuel.

This certificate cannot be used to claim exemption from Wisconsin motor vehicle fuel tax. Use Form MF-209.

GOVERNMENTAL UNITS AND OTHER EXEMPT ENTITIES

A seller may accept an exemption certificate from federal and Wisconsin governmental units and federally recognized American Indian tribes or bands in Wisconsin. Instead of obtaining an exemption certificate, a seller may (1) accept a purchase order from the governmental unit, tribe or band, or (2) record the governmental unit, tribe or band's Certificate of Exempt Status (CES) number on its invoice. Governmental units of other countries and states are not exempt from Wisconsin sales tax.

The exemption for the United States and its unincorporated agencies and instrumentalities may also be claimed by any incorporated agency or instrumentality of the United States wholly owned by the United States or by a corporation wholly owned by the United States. The exemption for Wisconsin governmental units and other exempt entities may be claimed by: Local Exposition District, UW Hospitals

and Clinics Authority, Wisconsin Aerospace Authority, Wisconsin Economic Development Authority, Fox River Navigational System Authority, local cultural arts districts, county-city hospitals, sewerage commissions, metropolitan sewerage districts, joint local water authorities, or any Wisconsin governmental unit or any agency or instrumentality of one or more Wisconsin governmental units.

Certain Nonprofit Organizations: The following organizations may make purchases exempt from tax:

- A. An organization that is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code and has received a determination letter from the Internal Revenue Service (IRS). Churches and religious organizations that meet the requirements of section 501(c)(3) but are not required to apply for and obtain tax-exempt status from the IRS may also make purchases exempt from tax.
- A Wisconsin organization must hold a CES number issued by the Wisconsin Department of Revenue to make purchases exempt from tax.
 - An out-of-state organization may make purchases exempt from tax, even if it has not been issued a CES number.
- B. An organization that is exempt from federal income tax under section 501(c)(2) of the Internal Revenue Code and that is organized for the exclusive purpose of holding title to property, collecting income from that property, and turning over the entire amount of that income, less expenses, to an entity described in A. above.

Purchases (for lodging, meals, auto rental, etc.) by employees/representatives of exempt organizations performing organization business, are exempt from sales tax if (1) the seller issues the billing or invoice in the name of the exempt organization, (2) the organization's CES number entered on the billing or invoice, and (3) the seller retains a copy of that document.

OTHER

Containers: This exemption applies regardless of whether or not the containers are returnable. Containers used by the purchaser only for storage or to transfer merchandise owned by the purchaser from one location to another do not qualify for the exemption.

Common or contract carriers: The exemption available to common or contract carriers for certain vehicles and repairs listed on this certificate applies only to units used "exclusively" in common or contract carriage. A carrier may qualify for the common or contract carriage exemption even if it does not hold a LC or IC number. The fact that a carrier holds a LC or IC number is not in itself a reason for exemption. A carrier may qualify for the common or contract carrier exemption even if it does not hold an LC or IC number.

Waste treatment facilities: This exemption applies to the sale of tangible personal property and items and property under sec. 77.52(1) (b) and (c), Wis., Stats., to a contractor for incorporation into real property which is part of an industrial or commercial waste treatment facility that qualifies for property tax exemption or a Wisconsin or federal governmental waste treatment facility.

Electricity, natural gas, fuel oil, coal, steam, corn, and wood (including wood pellets which are 100% wood) used for fuel:

- The sales price from the sale of electricity and natural gas for residential use during the months of November through April are exempt from sales and use tax.
- The sales price from sales of fuel oil, propane, coal, steam, corn, and wood (including wood pellets which are 100% wood) used for fuel sold for residential use are exempt from sales or use tax. Wood pellets are considered 100% wood even though the pellets may contain a small amount of binding material used to form the pellets.
- The sales price from the sale of fuel and electricity for use in farming are exempt all year.

A retailer of electricity, fuel, or natural gas shall have a signed exemption certificate for exempt sales for residential or farm use unless any of the following apply:

- 100% of the electricity, fuel, or natural gas is for exempt use.
- The sale is to an account which is properly classified as residential or farm pursuant to schedules which are filed for rate tariff with the Wisconsin Public Service Commission which are in force at the time of sale.
- The sale is to an account which is properly classified as residential or farm for classification purposes as directed by the Federal Rural Electrification Administration.

"Farm use" means used in farming, including use in a tractor or other farm machines used directly in farming, in a furnace heating a farm building, in providing lighting in farm buildings, and use in operating motors of machines used directly in farming.

"Residential use" means use in a structure or portion of a structure which is a person's permanent principal residence. It does not include use in motor homes, travel trailers, other recreational vehicles, or transient accommodations. "Transient accommodations" means rooms or lodging available to the public for a fee for a continuous period of less than one month in a building such as a hotel, motel, inn, tourist home, tourist house or court, summer camp, resort lodge, or cabin.

Other purchases exempt by law include:

- Printed material which is designed to advertise and promote the sale of merchandise, or to advertise the services of individual business firms, which printed material is purchased and stored for the purpose of subsequently transporting it outside the state by the purchaser for use thereafter solely outside the state.
- Parts, supplies, or repairs for a school bus used exclusively as a contract carrier pursuant to a contract with a school or other organization.
- Waste reduction and recycling machinery and equipment, including parts and repairs, which are exclusively and directly used for waste reduction and recycling activities.
- Railway cars, locomotives, and other rolling stock used in railroad operations, or accessories, attachments, parts, lubricants, or fuel therefor.
- Commercial vessels and barges of 50-ton burden or over engaged in interstate or foreign commerce or commercial fishing, and accessories, attachments, parts, and fuel therefor.
- Fuel sold for use in motorboats that are regularly employed in carrying persons for hire for sport fishing in and upon the outlying waters, as defined in sec. 29.001(63), Wis. Stats., and the rivers and tributaries specified in sec. 29.2285(2)(a)1. and 2., Wis. Stats., if the owner and all operators are licensed under sec. 29.514, Wis. Stats., to operate the boat for that purpose.
- A product whose power source is the wind, direct radiant energy received from the sun, or gas generated by the anaerobic digestion of animal manure and other agricultural waste, if the product produces at least 200 watts of alternating current or at least 600 British thermal units per day, but not including a product that is an uninterruptible power source that is designed primarily for computers.
- Snowmaking and snow-grooming machines and equipment, including accessories, attachments, and parts for the machines and fuel and electricity used to operate such machines and equipment, that are used exclusively and directly for snowmaking at ski hills, ski slopes, and ski trails.
- Advertising and promotional direct mail and printing services used to produce advertising and promotional direct mail.
- Property purchased by a construction contractor who, in fulfillment of a real property construction activity, transfers the property to an entity described in sec. 77.54(9m), Wis. Stats., if the property becomes a part of a facility in Wisconsin owned by the entity. "Facility" means any building, shelter, parking lot, parking garage, athletic field, athletic park, storm sewer, water supply system, or sewerage and wastewater treatment facility, but does not include a highway, street, or road.

For a listing of additional exemptions, see the [online exemption certificate](https://revenue.wi.gov) at revenue.wi.gov.

SIGNATURE

For corporations, this form must be signed by an employee or officer of the corporation.

QUESTIONS

If you have questions, please contact us.

Wisconsin Department of Revenue
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Applicable Laws and Rules

This document provides statements or interpretations of the following laws and regulations in effect as of May 20, 2022: Ch. 77, Wis. Stats., and sec. Tax 11, Wis. Adm. Code.