

SALES AND USE TAX REPORT

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In This Issue

	Page
I. Wood County Adopts County Tax.....	1
II. You Can Help the Department Serve You Better	2
III. New Tax Laws	2
IV. Are You Reporting Sales or Purchases in Green Lake County?	3
V. Three Ways to File Sales Tax Returns Electronically	3
VI. Motor Vehicle Dealers' Measure of Use Tax Increased to \$118	4
VII. Sales to Foreign Officials	4
VIII. Receive Sales Tax News by E-Mail	4
IX. Did You Know?	4

I. WOOD COUNTY ADOPTS COUNTY TAX

Beginning January 1, 2004, the 0.5% county tax will be in effect in Wood County.

Information about what sales and purchases are subject to county sales or use tax and transitional provisions that apply to Wood County sellers can be found in Wisconsin Publication 201, *Wisconsin Sales and Use Tax Information*.

Important: Sellers who are not located in any of the 58 counties that have adopted the county tax may still be subject to the county tax if they deliver property into any of these counties with their own vehicles or are in some other way "engaged in business" in any of the 58 counties.

Following is a list of the 58 counties that have adopted the county tax and the effective date of each county's tax.

County	Effective Date	County	Effective Date
Adams	1/1/94	Marathon	4/1/87
Ashland	4/1/88	Marinette	10/1/01
Barron	4/1/86	Marquette	4/1/89
Bayfield	4/1/91	Milwaukee*	4/1/91
Buffalo	4/1/87	Monroe	4/1/90
Burnett	4/1/89	Oconto	7/1/94
Chippewa	4/1/91	Oneida	4/1/87
Columbia	4/1/89	Ozaukee*	4/1/91
Crawford	4/1/91	Pepin	4/1/91
Dane	4/1/91	Pierce	4/1/88
Dodge	4/1/94	Polk	4/1/88
Door	4/1/88	Portage	4/1/89
Douglas	4/1/91	Price	1/1/93
Dunn	4/1/86	Richland	4/1/89
Eau Claire	1/1/99	Rusk	4/1/87
Forest	4/1/95	St. Croix	4/1/87
Grant	4/1/02	Sauk	4/1/92
Green	1/1/03	Sawyer	4/1/87
Green Lake	7/1/99	Shawano	4/1/90
Iowa	4/1/87	Taylor	7/1/99
Iron	4/1/91	Trempealeau	10/1/95
Jackson	4/1/87	Vernon	1/1/97
Jefferson	4/1/91	Vilas	4/1/88
Juneau	4/1/92	Walworth	4/1/87
Kenosha	4/1/91	Washburn	4/1/91
La Crosse	4/1/90	Washington*	1/1/99
Lafayette	4/1/01	Waupaca	4/1/89
Langlade	4/1/88	Waushara	4/1/90
Lincoln	4/1/87	Wood	1/1/04

* County also has a 0.1% baseball stadium tax

Counties that have **not** adopted the county tax are:

Counties Without County Tax

Brown**	Kewaunee	Rock
Calumet	Manitowoc	Sheboygan
Clark	Menominee	Waukesha*
Florence	Outagamie	Winnebago
Fond du Lac	Racine*	

* County has a 0.1% baseball stadium tax

** County has a 0.5% football stadium tax

II. YOU CAN HELP THE DEPARTMENT SERVE YOU BETTER

Following are ways that you can help the Department of Revenue better serve you through faster, more accurate (1) processing of your sales and use tax returns and (2) customer service:

- File electronically using the Sales Internet Process (SIP). Electronic returns have fewer errors and, therefore, fewer processing delays and requests for additional information. More information is available at www.dor.state.wi.us/eserv/sip.html.
- Use department preprinted returns. If you file paper sales and use tax returns (Form ST-12) and you do not have the preprinted return mailed to you by the department, you should first attempt to obtain a duplicate preprinted Form ST-12 by contacting the department by telephone at (608) 266-2776; fax at (608) 267-1030, or e-mail at sales10@dor.state.wi.us.

There will be delays in processing your return if you use a blank Form ST-12 downloaded from the Internet, a worksheet, or a photocopy of a previous return. If you do not have time to receive a preprinted Form ST-12 and do download a blank Form ST-12 from the Internet, be sure to put your 15-digit tax account number and the period covered in the boxes provided at the top of the Form ST-12 you file.

Include Schedule CT if you file a paper Form ST-12 **and** report sales or use tax in more than three counties. You may use a blank Schedule CT downloaded from the Internet at www.dor.state.wi.us/html/taxsales.html or contact the department, as described above, to have a Schedule CT mailed to you.

Do not send photocopies or non-departmental forms. Both will result in processing delays.

Note: If you are registered to file returns electronically, preprinted returns are not mailed to you. You should file your returns via the Internet using SIP.

- Include account information when corresponding with the department. When contacting the department by letter, fax, or e-mail, be sure to include your real name, address, and 15-digit tax account number so that we are better able to assist

you. It is also helpful to include a contact name and telephone number.

III. NEW TAX LAWS

- A. Clarify the Taxation of Lodging** (2003 Act 33, amend sec. 77.52(2)(a)1, effective for sales of lodging after November 30, 1999.)

This provision clarifies that transient lodging sold by hotel and motel operators and other persons furnishing accommodations to the public is taxable regardless of whether the use of the lodging is fixed at the time of sale as to the starting date or lodging unit.

Effective December 1, 1999, sec. 77.52(2)(a)1, Wis. Stats. (1997-98), was amended by 1999 Wisconsin Act 9, to remove from imposition of sales or use tax, sales of time-shares where the starting date and lodging unit were not fixed at the time of sale. However, due to an oversight, the entire language pertaining to these time-shares was not removed at that time.

- B. Exempt Wireless Surcharge** (2003 Act 48, create sec. 77.51(4)(b)8 and (15)(b)7, effective September 3, 2003.)

“Gross receipts” and “sales price” subject to Wisconsin sales or use tax on sales of wireless services do not include the surcharge imposed by a wireless service provider that is to be deposited into the 911 wireless fund.

- C. Require Persons and Their Affiliates Selling to State to Register and Remit Sales or Use Tax** (2003 Act 33, create secs. 16.70(1b) and (3e), 16.75(10m), and 77.66, effective July 26, 2003.)

The Secretary of Revenue shall determine and periodically certify to the Secretary of Administration the names of persons and their affiliates, who make sales of tangible personal property and taxable services that are subject to Wisconsin sales or use tax, but who are not registered with the department to collect and remit such taxes or, if registered, do not collect and remit such taxes.

The Department of Administration and certain designated purchasing agents, agencies, and authorities may not contract for the purchase of materials, supplies, equipment, or contractual services with a person or its affiliate who has been

certified by the Secretary of the Department of Revenue as described above.

“Affiliate” means a person, as defined in sec. 77.51(10), Wis. Stats., that controls, is controlled by, or is under common control with another person.

“Control” means to own, directly or indirectly, more than 10% of the interest in or voting securities of a business.

IV. ARE YOU REPORTING SALES OR PURCHASES IN GREEN LAKE COUNTY?

If you report sales or purchases subject to county tax in three or fewer counties, when completing Steps B and F of your Wisconsin Sales and Use Tax Return (Form ST-12), you are required to fill in the first five letters of each county in which you had taxable sales or purchases. However, there is an **exception** when reporting sales and purchases in Green Lake County. You should enter GLAKE. If you use the first five letters (GREEN) for Green Lake County in error, the Department of Revenue will incorrectly distribute the tax reported to Green County.

V. THREE WAYS TO FILE SALES TAX RETURNS ELECTRONICALLY

Retailers who file sales and use tax returns with the Wisconsin Department of Revenue will soon have three electronic choices.

- Sales Internet Process (SIP)
- Sales File Transmission
- Sales TeleFile

Sales Internet Process (SIP)

Almost one of every three monthly sales tax returns is filed electronically via the Sales Internet Process. SIP is the Wisconsin Department of Revenue’s secure web-based application for filing your sales and use tax return and paying the tax due via electronic funds transfer (EFT) or paper check. More information about SIP is available at www.dor.state.wi.us/eserv/sip.html.

Sales File Transmission

Merchants can simply upload their Wisconsin Sales and Use Tax Returns over the Internet in an electronic file. The new Sales File Transmission:

- Is a secure process for receiving formatted electronic transmissions of sales tax returns.
- Allows multiple XML files zipped together for one transmission.
- Sends acknowledgements within one business day.
- Is available using EFT debit and credit payment process for sellers registered for EFT with the department.
- Incorporates work done by the IRS and the Federation of Tax Administrators standards group.

A program summary, the schema, the guide, a sample instance document, a sample script and instructions, and Publication 129, *Sales & Use Tax Returns Handbook, E-File File Transmission of Form ST-12*, are available at www.dor.state.wi.us/eserv/file/index.html.

Sales TeleFile

The TeleFile process will allow businesses to file Wisconsin sales and use tax returns using the telephone. TeleFile is a fast, friendly, and free option to electronically file a sales and use tax return and pay the tax due. All you need is a touch-tone telephone. The new Sales TeleFile will:

- Use information you entered via the keypad on your touch-tone telephone to calculate and report sales and use tax. You may complete a TeleFile worksheet to aid you in entering the correct information.
- Accept three types of payments: electronic funds transfer (EFT), credit card, and check or money order.
- Ask you to confirm that the information provided is true and correct.
- Give you a confirmation number to verify a return was filed.

The Wisconsin Department of Revenue will post more information about Sales TeleFile on its web site in October 2003.

Filing sales and use tax returns electronically – whether through Sales File Transmission, Sales TeleFile, or SIP – offers these advantages over filing a paper return:

- Identifies errors so that returns are processed accurately and faster.
- Saves postage, printing, and handling costs.

- Provides a receipt or confirmation when the return is received.
- Allows an EFT payment to be initiated or warehoused.

VI. MOTOR VEHICLE DEALERS' MEASURE OF USE TAX INCREASED TO \$118

Wisconsin licensed motor vehicle dealers are permitted to report use tax on a certain dollar amount per plate per month for the use of motor vehicles assigned to certain employees and dealership owners.

Effective January 1, 2004, the amount subject to use tax is increased from \$116 to \$118 per plate per month. (Note: The use tax per plate per month is not \$118. Rather, \$118 is multiplied by the use tax rate (5%, 5.1%, 5.5%, or 5.6%) to arrive at the use tax due per plate per month.)

The reason for the increase to \$118 per plate is that sec. 77.53(1m)(a), Wis. Stats. (2001-02), requires that the Department of Revenue annually adjust the amount subject to use tax to reflect the annual percentage change in the U.S. Consumer Price Index for All Urban Consumers, U.S. City Average, as determined by the U.S. Department of Labor for the 12 month period ending June 30. The percentage change for the period July 2002 to June 2003 was 2.11% ($\$116 \times 1.0211 = \118 rounded to the nearest whole dollar).

VII. SALES TO FOREIGN OFFICIALS

Sales of tangible personal property and taxable services to certain foreign officials are exempt from Wisconsin sales or use tax, as provided by federal law. Not all foreign officials are entitled to tax exemption because this privilege is based on reciprocity the Department of State has with other foreign missions. The Department of State, Office of Foreign Missions, issues a Diplomatic Tax Exemption Card to qualifying foreign officials.

For identification purposes, the official's name, photograph, mission employed by, expiration date, and protocol identification number are provided on the card. The level of tax exemption is indicated by the color of the card and the written explanation in the colored box. The cards with a blue stripe exempt the bearer from all state and local taxes nationwide.

Retailers making exempt sales to foreign officials must keep a record of the personal identification number on the official's Diplomatic Tax Exemption Card as proof

that the sales are exempt from Wisconsin sales or use tax. The Office of Foreign Missions includes on its web site a database that allows retailers to verify the tax-exempt status of foreign officials. It may be accessed at www.state.gov/ofm/resource/ihv/20290.htm.

VIII. RECEIVE SALES TAX INFORMATION BY E-MAIL

The Wisconsin Department of Revenue has established a Sales and Use Tax News E-Mailing List called "**dorsales**." The list **dorsales** is designed to provide electronic communication from the department to the members of the list regarding current sales and use tax news and reminders. This is a moderated list, which means any e-mails addressed to the list go through the list owner (i.e., Department of Revenue) first. This list is open to everyone. Instructions on how to subscribe to this list are given below.

1. Send an e-mail message to:
majordomo@badger.state.wi.us
2. Leave the subject line blank.
3. In the body of the message, type "subscribe dorsales."
4. Do **not** enter your name or any other information.
5. Delete any "signature" your e-mail system may add automatically.

After following the above procedure, you will receive a return e-mail message confirming your subscription to the **dorsales** e-mail list.

This is not a "chat room" or typical "bulletin board" site. If you have questions about whether an item is taxable or not or specific questions about your account, you may send an e-mail message to sales10@dor.state.wi.us or telephone (608) 266-2776.

IX. DID YOU KNOW . . . ?

When you sell tangible personal property or taxable services that are subject to sales or use tax and you charge the purchaser for delivery, your total charge, including the delivery charge, is taxable, regardless of whether delivery is made by your vehicle, a common or contract carrier, or the United States Postal Service.

Similarly, if you purchase taxable tangible personal property that you store, use, or consume in Wisconsin and the seller does not charge you tax, the "sales price" subject to Wisconsin use tax includes charges by the seller for delivery.