

# SALES AND USE TAX REPORT

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Issue 4-10

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## In This Issue

	Page
I. Rhinelander Office Closing.....	1
II. REMINDER: Local Exposition Basic Room Tax Rate Increase .....	2
III. “Buy One, Get One Free” and Similar Promotions.....	2
IV. Did you Know? Ice Cream Cakes May Be Taxable .....	2
V. Hot Air Balloon Rides – Tax Treatment Changed .....	2
VI. Septic System Installers – Taxable Items Minor in Comparison to Total Contract Price	2
VII. Electronic Exemption Certificates Are Acceptable in Wisconsin.....	3
VIII. Landscaping Services and Snow Removal Services .....	3
IX. Flags and Flag Kits.....	5
X. Are Your Sales Subject to the Police and Fire Protection Fee? .....	6
XI. Sales Tax Audits Include Reconciliation of Gross Receipts.....	6
XII. Truck Owner-Operators – Tax Treatment Changed.....	7
XIII. Sales-Use Tax Exemption: Property Consumed, Destroyed, or Losing Its Identity in Manufacturing .....	8
XIV. Reporting Sales Tax on Sales of Used Motor Vehicles, Boats, Snowmobiles, Recreational Vehicles, Trailers, Semitrailers, All-Terrain Vehicles, and Aircraft .....	9

## I. RHINELANDER OFFICE CLOSING


As part of the office consolidation effort announced in late 2007, the Department of Revenue office in Rhinelander will close on December 13, 2010. The Rhinelander office is the last of these offices to close as a part of this consolidation plan.

The Department of Revenue announced in December 2007 the consolidation of 27 field offices into seven regional offices as part of restructuring the operations of the agency. The seven regional offices are located in Appleton, Green Bay, Eau Claire, Madison, Milwaukee, Wausau, and Chicago, and will continue providing comprehensive services to taxpayers across the state. [↗](#)

## II. REMINDER: LOCAL EXPOSITION BASIC ROOM TAX RATE INCREASE

*Effective January 1, 2011*, the 2.0% local exposition basic room tax will increase to 2.5%. The sale of lodging is subject to the local exposition room tax when furnished in Milwaukee County to a person for a continuous period of less than one month. If the lodging is furnished in the City of Milwaukee, it is subject to the local exposition basic room tax and a 7% additional room tax.


[Publication 410](#), *Local Exposition Taxes*, provides additional information about the local exposition taxes. This publication will be updated in the near future to reflect the basic room tax increase.

You are encouraged to file your Local Exposition Tax Return (Form EX-12) electronically through *My Tax Account* if you are not already filing in this manner. *My Tax Account* is the department's free online business tax service that allows businesses to access their accounts to view current account status, file and amend returns, make payments, and manage and update account information. It's simple, secure, and available 24 hours a day, seven days a week. For more details about *My Tax Account*, please visit the Department of Revenue's web site at <http://www.revenue.wi.gov/>. 


## III. "BUY ONE, GET ONE FREE" AND SIMILAR PROMOTIONS

The tax treatment of certain promotions, such as "Buy One, Get One Free" promotions, is explained in the tax release titled "['Buy One, Get One Free' and Similar Promotions.](#)" 


## IV. DID YOU KNOW? ICE CREAM CAKES MAY BE TAXABLE

Most restaurants' sales of food and food ingredients are subject to sales tax. However, there may be instances where sales of whole ice cream cakes are exempt from tax. See the article titled "[Sales of Ice Cream Cakes and Similar Items](#)" on the Department of Revenue's web site for additional information. 

## V. HOT AIR BALLOON RIDES – TAX TREATMENT CHANGED

The Department of Revenue revised its longstanding position with respect to admissions for un-tethered hot air balloon rides, sightseeing flights, using an aircraft to tow a hang glider, and carrying a sky diver to an in-air jump point. Such admissions are not taxable. Additional information is provided in the tax release titled "[Hot Air Balloon Rides and Other Aircraft-Related Admissions.](#)" 

## VI. SEPTIC SYSTEM INSTALLERS – TAXABLE ITEMS MINOR IN COMPARISON TO TOTAL CONTRACT PRICE

Section Tax 11.68(7)(b), Wis. Adm. Code (November 2010 Register), provides that in certain situations if a construction contractor does not separately itemize all of the charges for the property and services it is providing to its customer in the documents provided to its customers, the contractor can use its cost of the taxable property and services sold to its customer as the measure subject to sales tax. The article on the Department of Revenue's web site titled "[Charges by Septic System Installers That Also Provide Taxable Tangible Personal Property and Taxable Services](#)" explains how this provision applies to those persons involved in installing septic systems. 

## VII. ELECTRONIC EXEMPTION CERTIFICATES ARE ACCEPTABLE IN WISCONSIN

In lieu of obtaining a paper *Wisconsin Sales and Use Tax Exemption Certificate* ([Form S-211](#)) or the *Streamlined Sales and Use Tax Exemption Certificate – Wisconsin* ([Form S-211-SST](#)), retailers may also accept electronic exemption certificates from their customers to prove that a particular sale is not subject to Wisconsin sales or use tax. The exemption certificate, whether received in paper form or electronically, must contain all of the following information:

- Information identifying the purchaser (i.e., the purchaser's name and address).
- Purchaser's state tax identification number and state of issue. If the purchaser does not have a state tax identification number, then the purchaser's federal employer identification number is needed. If the purchaser does not have a federal employer identification number, then the purchaser's personal driver's license number and state of issue is needed.
- Purchaser's type of business.
- The reason for the claimed exemption.

If a paper exemption certificate is provided, the certificate must also be signed by the purchaser. However, if an electronic exemption certificate is provided, the purchaser's signature is not required.

Additional information relating to the use of exemption certificates in Wisconsin is contained in [sec. Tax 11.14](#), Wis. Adm. Code (November 2010 Register). [↗](#)

## VIII. LANDSCAPING SERVICES AND SNOW REMOVAL SERVICES

Sales of landscaping and lawn maintenance services are subject to Wisconsin sales and use tax. The sale of tangible personal property transferred with such landscaping and lawn maintenance services is also taxable. The sale of snow removal services is not taxable.

Some service providers provide lawn maintenance services in the summer months and snow removal services in the winter months. This type of service may be provided on a written contract basis where the customer pays a set amount each month, regardless of which service is provided and how often.

This article explains the tax treatment of each of these services.

### *Landscaping and Lawn Maintenance Services*

The tax on landscaping services is provided in [sec. 77.52\(2\)\(a\)20.](#), Wis. Stats. (2007-08), which imposes tax on "[t]he sale of landscaping and lawn maintenance services including landscape planning and counseling, lawn and garden services such as planting, mowing, spraying and fertilizing and shrub and tree services."

"Lawn maintenance services" includes several different services. For example, mowing lawns, watering lawns, aerating lawns, and raking leaves are lawn maintenance services.

Section 77.52(2m)(b), Wis. Stats. (2007-08), provides that tangible personal property that is physically transferred to the customer in conjunction with the provision of landscaping services is a sale of the property separate from the service. Therefore, the seller may purchase any tangible personal property without tax for resale that it transfers to its customers with such landscaping and lawn maintenance services.

**Example:** Landscaper X is seeding a lawn for its customer for \$1,000. Landscaper X is selling (1) the landscaping service, and (2) the seed. Therefore, Landscaper X's charge of \$1,000 to its customer is subject to sales tax. Landscaper X may purchase the seed without tax for resale.

Additional information is provided in [Publication 210](#), *Sales and Use Tax Treatment of Landscaping*, which includes examples of taxable landscaping services and nontaxable services.

### **Snow Removal Services**

Snow removal services are not listed among the taxable services in sec. 77.52(2)(a), Wis. Stats. (2007-08). A seller's charge for snowplowing or sanding and salting roads, sidewalks, or parking lots is not subject to sales tax. The service provider is the consumer of any tangible personal property that it transfers to its customers with such services and is liable for sales or use tax on its purchase of such property.

**Example 1:** A person contracts with Company A to have its driveways and parking lots plowed and sanded during the winter months. Company A charges the person by the hour. No part of the charge by Company A is subject to sales tax. Company A must pay Wisconsin sales or use tax on its purchase of the sand used in providing the service.

**Example 2:** A person contracts with Company B to have its driveways and parking lots plowed and salted during the winter months. Company B charges the person based on the amount of salt used. No part of the charge by Company B is subject to sales tax. Company B must pay Wisconsin sales or use tax on its purchase of the salt used in providing the service.

### **One Contract for Lawn Maintenance Services and Snow Removal Services**

When a service provider provides both taxable lawn maintenance services and nontaxable snow removal services for a single monthly fee, the service provider should make an allocation between the taxable and nontaxable amounts. In the months in which only snow removal services are provided, the service provider's charge is not taxable. In the months in which only lawn maintenance services are provided, the service provider's entire charge is taxable. In months in which both snow removal services and lawn maintenance services are provided, the service provider should make a reasonable allocation between the two services. Sales tax is due on the portion of the charges attributable to the lawn maintenance services.

**Example:** Service Company Z has a maintenance contract with the owner of an apartment building to provide lawn mowing and snow removal services for a monthly fee of \$900. From June through October, only lawn mowing services were provided. From November through April, only snow removal services were provided. In May, snow removal services were provided once and lawn mowing services were provided twice.

For the months of June through October, Service Company Z's charge is subject to sales tax. For the months of November through April, Service Company Z's charge is not subject to sales tax. For the month of May, the one-third of Service Company Z's charge that relates to snow removal (i.e., \$300) is not taxable, and the two-thirds of Service Company Z's charge that relates to lawn mowing (i.e., \$600) is taxable. [↩](#)

## IX. FLAGS AND FLAG KITS

*The tax treatment provided in this article supersedes the information published in the tax release titled "Exemption for United States Flags and Wisconsin State Flags," which was published in [Wisconsin Tax Bulletin 127](#) (October 2001), beginning on page 28.*

An exemption from Wisconsin sales and use taxes exists for the sales price from the sale of and the storage, use, or other consumption of the U.S. flag or the Wisconsin state flag. The exemption applies to sales of the United States flag or the Wisconsin state flag. A flag, for purposes of this exemption, is considered to include the staff to which the flag is permanently mounted when sold by the retailer.

**Example:** Retailer A sells hand-held U.S. flags permanently mounted with staples to a wood or plastic staff. The sale of the flag (i.e., the fabric and staff to which the fabric is mounted) is exempt from Wisconsin sales or use tax.

This exemption does **not** apply to:

- Flag accessories, except as described above.

**Example 1:** Retailer C sells an 8-foot sectional flagpole. The sale of the flagpole is not exempt from Wisconsin sales or use tax under this exemption.

**Example 2:** Retailer D sells 40-foot sectional flagpoles, hardware for flags, U.S. flags, and Wisconsin state flags. All are for sale individually. The sale of the flagpoles and hardware are taxable, even if Retailer D sells these items in a single transaction along with the sale of a U.S. flag or a Wisconsin state flag.

- A representation of the United States flag or Wisconsin state flag (e.g., stickers, magnets, lapel pins, photographs, and clothing).

A sale of a "flag kit" sold as a single unit, which includes a United States flag or Wisconsin state flag and related accessories, such as a mounting bracket, a flagpole, a cord, and instructions on the display of the flag, is a "bundled transaction" if the taxable products included in the "flag kit" are more than 10% of the seller's purchase price or sales price, but not a combination of both. The entire sales price of a bundled transaction is subject to tax. However, if the taxable products included in the "flag kit" (i.e., mounting bracket, flagpole, cord, and instructions on the display of the flag) are 10% or less of the seller's purchase price or sales price, but not a combination of both, then the "flag kit" is not taxable.

**Exception:** The retailer may, at its option, collect and remit tax only on the taxable portion of the sale if the retailer can identify, by reasonable and verifiable standards from its books and records that are kept in the ordinary course of its business, the portion of the sales prices that is attributable to products that are not subject to tax.

**Prior to October 1, 2009,** a "flag kit," sold as a single unit, was exempt from tax if the "flag kit" included a United States flag or Wisconsin state flag and related accessories, such as a mounting bracket, a flagpole, a cord, and instructions on the display of the flag and was sold as one product (e.g., all items were enclosed in a package with a single Universal Product Code (UPC)). A "flag kit" did not include flag-related accessories that are available for sale individually, even if such items were sold in a single transaction along with a U.S. flag or Wisconsin state flag.

For additional information about bundled transactions, please see Part X.C., page 40, of [Publication 201, Wisconsin Sales and Use Tax Information](#). Also see the tax release on the Department of Revenue's web site titled "[Exemption for United States Flags and Wisconsin State Flags.](#)" [↗](#)

## **X. ARE YOUR SALES SUBJECT TO THE POLICE AND FIRE PROTECTION FEE?**

You may be liable for the police and fire protection fee if any of the following apply:

- You are a communications service provider that provides voice communications connections with an assigned telephone number (including landline, cellular line, and a communication service provided via a VoIP connection).
- You sell wireless handsets that are activated for use with a prepaid plan.
- You sell additional prepaid minutes, a dollar amount, or days of use for an existing wireless account that declines with usage, regardless of whether you sell the minutes at your physical location, via the Internet, or via the telephone (e.g., a 200 minute card that extends the amount of use of a prepaid account).

Pursuant to 2009 Wis. Act 28 and effective September 1, 2009, a police and fire protection fee is imposed on two types of transactions:

1. *A fee of \$0.38 on each retail transaction for prepaid wireless telecommunications plans; and*
2. *A monthly fee of \$0.75 on each voice communications connection with an assigned telephone number (including landline, cellular line, and a communication service provided via a VoIP connection). If a communications provider provides multiple connections to a subscriber, the fee will be \$0.75 for each of the first 10 connections and one additional fee of \$0.75 for each 10 additional connections per billed account (i.e., \$0.075 fee for each connection over 10).*

The Department of Revenue (DOR) administers the \$0.38 per-transaction fee on retail transactions for prepaid wireless telecommunications plans and the Public Service Commission (PSC) administers the \$0.75 monthly fee on all communications service connections with assigned telephone numbers. Both fees, however, must be reported on a monthly basis to the DOR on one electronic form. Persons subject to the fee are required to register with the DOR for the collection, reporting, and remittance of the fees.

Additional information about the police and fire protection fee, including information about how to register to collect and remit the fee, is provided on the Department of Revenue's "[Police & Fire Protection Fee](#)" web page. [↗](#)

## **XI. SALES TAX AUDITS INCLUDE RECONCILIATION OF GROSS RECEIPTS**

Reconciling differences between the gross receipts reported for franchise/income tax and sales/use tax purposes is one of the most common issues addressed in a Department of Revenue field audit.

An auditor performs this reconciliation to identify errors that may have been made in reporting sales subject to sales tax, exemptions from sales tax, etc. The gross receipts on the franchise/income tax return should equal total sales on Form ST-12. If they don't match, the auditor is required to reconcile the difference and identify reasons for the differences. Many times, the difference does not impact tax liability. However, if the difference cannot be reconciled satisfactorily, the auditor may presume that taxable sales have been underreported.



In order to minimize the time it takes to complete the reconciliation, it's important that sellers report **all** sales on Form ST-12, line 1, whether taxable or not. Nontaxable and exempt sales will be removed on lines 2 through 5 of Form ST-12. It's also important that the taxpayer inform the auditor of year-end adjusting journal entries affecting gross receipts or total sales.

Form ST-12 instructions state:

Line 1. Total Sales: Enter the total amount of all cash, credit, and conditional sales, including all sales tax charged. Include a) sales, licenses, leases, and rentals of taxable and exempt tangible personal property and services, and b) transportation charges collected from customers. Do not reduce the amount on this line for sales returns and allowances.

**IMPORTANT:** You must use the accrual method of accounting to report your sales, unless the Department of Revenue has a) determined that this method would cause you undue hardship, and b) given you written permission to use another method.

When gross receipts don't reconcile, an audit can be unnecessarily delayed. To avoid audit delays and adjustments, report **all** sales on Form ST-12, line 1. [↗](#)

## **XII. TRUCK OWNER-OPERATORS – TAX TREATMENT CHANGED**

This article supersedes the article titled "[Truck Owner-Operators: Does the Common or Contract Carrier Exemption Apply?](#)", which was published on pages 3-4 of the September 2006 issue of the *Sales and Use Tax Report* (3-06).

Wisconsin provides an exemption from Wisconsin sales and use taxes for motor trucks that are sold to common or contract carriers who use the motor trucks exclusively in common or contract carriage. For the common carrier exemption to apply, the truck must be sold or leased *directly* to a common or contract carrier. Wisconsin does not allow a pass-through of a common or contract carriage designation to another person for purposes of this exemption.

Effective October 1, 2009, when a truck is provided with a driver, the transaction is considered to be a transportation service, rather than a lease or rental of the truck. This change is provided in 2009 Wis. Act 2, and was made to conform Wisconsin's sales and use tax laws to the requirements of the Streamlined Sales and Use Tax Agreement and the definition of "lease or rental." An owner-operator that uses its truck exclusively in common or contract carriage may purchase or lease its truck without tax by providing the dealer with a fully completed exemption certificate ([Form S-211](#) or [Form S-211-SST](#)) claiming the common and contract carrier exemption.

Prior to October 1, 2009, whether an owner-operator was leasing the truck to its customer or providing a transportation service was determined by whether the owner-operator's customer (e.g., a trucking company) provided control and direction over the owner-operator's actions. For additional information about how the transactions were treated prior to October 1, 2009, see the article titled "[Truck Owner-Operators: Does the Common or Contract Carrier Exemption Apply?](#)", beginning on page 3 of the September 2006 issue of the *Sales and Use Tax Report* (3-06).

**Example 1:** Owner-operator A purchases a truck from Dealer B. The only use that Owner-operator A makes of the truck is to haul goods for its customer, Company C, for a fee. Owner-operator A may purchase its truck without tax by providing Dealer B with an exemption certificate claiming the common and contract carrier exemption.

**Example 2:** Owner-operator X leases a truck from Dealer Y. Owner-operator X uses the truck 60% of the time to haul goods for its customer, Company Z, for a fee. Owner-operator X uses the truck the other 40% of the time to haul its own goods. Owner-operator X's purchase of the truck does not qualify for the common and contract carrier exemption, since the truck is not used exclusively in common and contract carriage (i.e., hauling its own goods is not common and contract carriage). Owner-operator X's purchase of the truck is subject to tax.

**Example 3:** Owner-operator LLC is a single-owner entity that is disregarded as a separate entity for Wisconsin income and franchise tax purposes under Chapter 71 of the Wisconsin Statutes. The owner of Owner-operator LLC is Company P. Owner-operator LLC purchases a truck from Dealer M. The only use that Owner-operator LLC makes of the truck is to haul goods for Company P for a fee. Since a single-owner entity that is disregarded as a separate entity for Wisconsin income and franchise tax purposes under Chapter 71 of the Wisconsin Statutes is also disregarded as a separate entity for purposes of Wisconsin sales and use taxes (i.e., the single-owner entity and its owner are treated as a single entity), Owner-operator LLC is considered to be hauling its own goods when hauling the goods of Company P. The truck is not used exclusively in common and contract carriage (i.e., hauling its own goods is not common and contract carriage) and, therefore, the common and contract carrier exemption does not apply. Owner-operator LLC's purchase of the truck is subject to tax.

Definitions of "common carrier" and "contract carrier" are provided in the tax release titled "Common and Contract Carrier Exemption," which was published in the July 1998 issue of the [Wisconsin Tax Bulletin #110](#). The information provided in the tax release still applies, with the exception of Part E., which was affected by *Freight Lime and Sand Hauling, Inc. vs. Wisconsin Department of Revenue* (Wisconsin Tax Appeals Commission, November 20, 2002). A summary of this case is provided on pages 24 and 25 of [Wisconsin Tax Bulletin #134](#) (April 2003). [↗](#)

### **XIII. SALES-USE TAX EXEMPTION: PROPERTY CONSUMED, DESTROYED, OR LOSING ITS IDENTITY IN MANUFACTURING**

Section 77.54(2), Wis. Stats. (2007-08), as amended by 2009 Wis. Act 28, provides, in part, an exemption from Wisconsin sales and use taxes for tangible personal property or an item under sec. 77.52(1)(b), Wis. Stats., that is used *exclusively and directly by a manufacturer* in manufacturing an article of tangible personal property or an item or property under sec. 77.52(1)(b) or (c), Wis. Stats., that is destined for sale and is consumed, destroyed, or loses its identity in the manufacture of the article of tangible personal property or an item or property under sec. 77.52(1)(b) or (c), Wis. Stats., destined for sale, except for fuel and electricity. (Emphasis added)

The requirement of *exclusive and direct use by a manufacturer* in sec. 77.54(2), Stats., was added by 2009 Wis. Act 28, and first effective on August 1, 2009.

Examples of property that qualified for exemption under sec. 77.54(2), Wis. Stats., prior to amendment by 2009 Wis. Act 28, but no longer qualify for exemption under sec. 77.54(2), Wis. Stats., as amended by 2009 Wis. Act 2, and effective as of August 1, 2009, include:

- (1) Property that is consumed, destroyed, or loses its identity by a person who is not a manufacturer, even if the person who is not a manufacturer consumes such property in performing a service relating to a manufacturer manufacturing tangible personal property destined for sale. See [sec. Tax 11.41\(3\)\(a\)3., Wis. Adm. Code, CR 10-094](#).



**Example:** A testing laboratory performs tests on samples of products furnished to it by the manufacturer, who is manufacturing the product for sale. The testing is performed for the manufacturer as a part of the manufacturer's quality control process during the manufacture of the product. During the testing of the product, certain tangible personal property purchased by the testing laboratory is consumed, destroyed, or loses its identity in the testing process.

Prior to August 1, 2009, the testing laboratory could purchase the property consumed, destroyed or losing its identity during the testing process without tax, under sec. 77.54(2), Stats., since the property was consumed within the scope of manufacturing and the statute did not require that it be consumed **by a manufacturer**. (See *Cherney Microbiological Services, Ltd. v. Wisconsin Department of Revenue*, ¶400-215. Wisconsin Tax Appeals Commission, No. 94-S-209, April 23, 1996.)

Effective August 1, 2009 and thereafter, the testing laboratory must pay Wisconsin sales or use tax on its purchases of tangible personal property that it uses and is consumed, destroyed, or loses its identity during the testing process. The testing laboratory does not meet the requirement in sec. 77.54(2), Wis. Stats., as amended by 2009 Wis. Act 28, that the property consumed, destroyed, or losing its identity in the manufacture of an article of tangible personal property destined for sale be used exclusively and directly **by a manufacturer**.

(2) Chemicals and cleaning agents used by a manufacturer to clean the room where manufacturing tangible personal property destined for sale takes place, including walls, ceilings, floors, drains, windows, and doors, even if the cleaning is required in order to meet sanitation standards required by state and federal regulatory agencies. Such items are not used directly in the manufacturing process. See [sec. Tax 11.41 \(3\) \(b\) 9., Wis. Adm. Code, CR 10-094](#).

Prior to August 1, 2009, purchases of these chemicals and cleaning agents by a manufacturer qualified for exemption under sec. 77.54(2), Wis. Stats., as the property was consumed in manufacturing tangible personal property and the statute did not require that the property be used **directly** in the manufacturing process. (See *Oscar Mayer & Co. v. Wisconsin Department of Revenue* ¶202-388. Wisconsin Tax Appeals Commission, Docket No. S-9323, May 30, 1984.)

As of August 1, 2009 and thereafter, purchases of these chemicals and cleaning agents by the manufacturer do not qualify for exemption under sec. 77.54(2), Wis. Stats., as amended by 2009 Wis. Act 28, since the cleaning chemicals and agents are not used directly by the manufacturer in the manufacturing process. [☞](#)

#### **XIV. REPORTING SALES TAX ON SALES OF USED MOTOR VEHICLES, BOATS, SNOWMOBILES, RECREATIONAL VEHICLES, TRAILERS, SEMITRAILERS, ALL-TERRAIN VEHICLES, AND AIRCRAFT**

All retailers that are registered to collect and remit Wisconsin sales and use taxes must also collect and remit the applicable state, county, and/or stadium sales and use tax on its sales of the following items:

- Motor vehicles
- Boats
- Snowmobiles
- Recreational vehicles as defined in s. 340.01(48r), Wis. Stats.
- Trailers
- Semitrailers
- All-terrain vehicles
- Aircraft

The requirement to collect and remit tax on these sales applies, even if the retailer is not a "dealer" or "registered dealer" of the item sold.

**Who is a Retailer?** A retailer, as used in this article, is a person who holds a Wisconsin seller's permit or use tax registration certificate issued by the Wisconsin Department of Revenue to collect and remit sales or use tax on taxable sales made by the person.

**Retailer Should Provide Receipt:** The retailer should sign the Certificate of Title and give this to the buyer along with a receipt showing the tax. The buyer must provide the receipt when registering or titling the item to prove that the tax has been paid. Without a receipt showing the tax, the buyer will be required to pay the tax when registering or titling the item.

**Reporting the Tax:** The retailer should report the tax on the sales and use tax return that it files with the Wisconsin Department of Revenue.

**Items Used Personally Rather Than in a Business:** If an individual holds a seller's permit or use tax registration certificate and sells a motor vehicle or other item that it did not use in its business, but which it used personally, the individual is not responsible to collect tax on the sale. The buyer must pay the applicable tax when registering or titling the item.

**When Do County and Stadium Taxes Apply?** Whether or not a retailer is required to collect and remit county and stadium taxes depends on the type of item sold.

*Motor vehicles, boats, recreational vehicles, and aircraft:* The retailer is required to collect and remit the county and/or stadium taxes in effect for the location where the item will be customarily kept. If the buyer will customarily keep the item outside Wisconsin, the retailer is not required to collect and remit county or stadium tax on the sale.

*Snowmobiles, trailers, semitrailers, and all-terrain vehicles:* Generally, the retailer is required to collect and remit the county and/or stadium taxes in effect for the location where the buyer receives possession of the item. Additional information is provided in [Publication 201](#), Appendix I, on page 104.

For all of the items above (motor vehicles, boats, recreational vehicles, aircraft, snowmobiles, trailers, semitrailers, and all-terrain vehicles), the retailer should obtain a written statement from the buyer indicating the location where the buyer will customarily keep the item.

**Sales to Nonresidents:** Sales of motor vehicles, aircraft, and truck bodies (including semitrailers) to nonresidents of Wisconsin who do not use such property other than to remove it from Wisconsin, are exempt from sales and use taxes. This exemption is limited to motor vehicles, aircraft, and truck bodies. Wisconsin sales of other products to nonresidents are taxable.

**Prior to October 1, 2009**, a person who was not a "dealer" or "licensed 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 s. 340.01(48r), Wis. Stats., trailers, semitrailers, all-terrain vehicles, and aircraft. [✎](#)