

# SALES AND USE TAX REPORT

June 2012  
Issue 2-12

If you would like to receive notification when a new *Sales and Use Tax Report* is available, subscribe to the sales and use tax electronic mailing list at [www.revenue.wi.gov/html/lists.html](http://www.revenue.wi.gov/html/lists.html). All of the *Sales and Use Tax Reports* are available at [www.revenue.wi.gov/ise/sales/index.html](http://www.revenue.wi.gov/ise/sales/index.html).

## In This Issue

	Page
I. New Publications.....	1
II. Articles Posted to the Department's Web Site .....	1
A. Are Sales of Eyeglasses Taxable? .....	1
B. Sales of Gift Baskets.....	2
C. Providing Clean Towels and Uniforms .....	2
III. Top 10 Reasons to Visit the Department of Revenue's (DOR's) Web Site .....	2
IV. Landscaping and Lawn Maintenance Services .....	3

## I. NEW PUBLICATIONS

The Department of Revenue has developed two new sales and use tax publications. Both of the new publications are available on the department's web site.

- **Advertising Companies** - [Publication 235](#), *Advertising Companies - How Do Wisconsin Sales and Use Taxes Affect Your Operation?*, addresses the sales and use tax issues that advertising companies face.
- **Manufactured and Modular Homes** - [Publication 231](#), *Sales and Use Tax Treatment of Manufactured and Modular Homes*, explains the sales and use tax treatment of manufactured and modular home transactions.

Check the department's web site to see all of the [sales and use tax publications](#) that are available.

## II. ARTICLES POSTED TO THE DEPARTMENT'S WEB SITE

### A. Are Sales of Eyeglasses Taxable?

Sales of prosthetic devices, including corrective eyeglasses and corrective contact lenses, and accessories for such devices, are exempt from Wisconsin sales and use taxes. Information is provided about what types of eyeglasses, contact lenses, and accessories qualify for this exemption in the article titled "[Prosthetic Devices - Eyeglasses and Contact Lenses - and their Accessories and Supplies](#)."

## B. Sales of Gift Baskets

The proper Wisconsin sales and use tax treatment of certain gift baskets prepared by a retailer which include a food product is explained in the article titled "[Gift Baskets That Contain a Combination of Taxable and Nontaxable Products](#)." The article provides examples of taxable and nontaxable gift baskets.

## C. Providing Clean Towels and Uniforms

A new tax release titled "[Clean Towel and Uniform Providers](#)" explains the Wisconsin sales and use tax treatment of services and products provided by clean towel and uniform providers. Examples are provided to illustrate the tax treatment when towels and uniforms are rented and when a laundry service is provided.

### III. TOP 10 REASONS TO VISIT THE DEPARTMENT OF REVENUE'S (DOR'S) WEB SITE

10. [Publications](#) - The latest versions of publications covering various tax topics are available.
9. [Sales and Use Tax Reports](#) - The *Sales and Use Tax Report* is a report that is published quarterly. It includes general information about Wisconsin's sales and use tax laws and law changes. A search function is available that allows you to search only within the *Sales and Use Tax Reports*.
8. [Wisconsin Tax Bulletins](#) - The *Wisconsin Tax Bulletin* is a quarterly newsletter published by DOR. It includes information about taxes administered by DOR, including income, corporation franchise, sales and use, excise tax, and withholding taxes. Most bulletins are divided into the following sections:
  - **Articles** - Information on tax laws, administrative rules, and return filing requirements.
  - **Report on Litigation** - Summaries of Wisconsin tax cases decided by the Wisconsin Tax Appeals Commission and the courts.
  - **Tax Releases** - Interpretations of Wisconsin tax laws.
  - **Private Letter Rulings** - Written statements that interpret and apply Wisconsin tax laws to a taxpayer's specific set of facts.

A search function is provided for help in locating a particular topic in the *Wisconsin Tax Bulletins*. You may also search the *Wisconsin Tax Bulletins* using the [Index](#).

7. [Wisconsin Topical and Court Case Index](#) - The *Wisconsin Topical and Court Case Index* is an annual publication, with an addendum published midway through the year. The index provides an easy way to research Wisconsin tax questions. It includes references, by tax type and alphabetically, to Wisconsin statutes, administrative rules, tax releases, private letter rulings, Wisconsin tax publications, *Sales and Use Tax Reports*, *Wisconsin Tax Bulletin* articles, Attorney General Opinions, and court decisions of the Wisconsin Tax Appeals Commission and the Wisconsin courts.
6. [Common Questions](#) - Answers to your most taxing questions are at your fingertips in the department's Common Questions section. The Common Questions are categorized under topical

headings to find your answers quickly. At the end of each set of Common Questions is information regarding how to contact the department if you have additional questions.

5. [Online Services](#) - DOR has a variety of online services for your personal and business needs. These online services provide a secure, fast, and convenient way to complete DOR transactions. Staying informed of changes is easy when you subscribe to one or more of the DOR's [electronic mailing lists](#), which are available to the public. The goal is to provide communications from DOR to subscribers on information and news specific to the respective list you signed up for. Don't forget to [sign up](#) to be a subscriber to any of the electronic mailing lists!
4. [Forms](#) - Current forms, including a number of "fill-in forms," are available.
3. [En Español](#) - Information in Spanish is available.
2. [DOR Home Page](#) - Recent Wisconsin tax news, the latest videos, quick links, online services, publications, forms, common questions and more can all be accessed directly from the DOR home page!

And the Number 1 reason to visit the DOR web site is...

1. *You can save valuable time by going to the DOR web site at any time, day or night, to get forms, publications, and answers to your tax questions with just a click of your mouse!*



#### **IV. LANDSCAPING AND LAWN MAINTENANCE SERVICES**

Wisconsin sales tax is imposed on the 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 include several different services. For example, mowing lawns, watering lawns, aerating lawns, and raking leaves are lawn maintenance services.

Tangible personal property (such as trees, plants, and grass seed) 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.