

WISCONSIN TAX BULLETIN

FOR ADDITIONAL INFORMATION

A copy of Schedule FC and its instructions are attached to this Bulletin. For additional information or assistance in completing Schedule FC, you may call or visit one of the Department of Revenue's district offices (in Appleton, Eau Claire, Madison or Milwaukee) or the branch office nearest you. The addresses and telephone numbers of the district offices and branch offices are listed in this Bulletin.

For information regarding land preservation (non-tax) aspects of the farmland preservation program, you may write or call:

Dept. of Agriculture, Trade &
Consumer Protection
801 West Badger Road
Madison, WI 53713
Telephone (608) 266-1721

INFORMATION REPORTS ARE REQUIRED FOR NONRESIDENT ENTERTAINERS AND ATHLETES

Beginning January 1, 1978, every Wisconsin employer of an entertainment corporation or nonresident entertainer or athlete is required to report to the Department certain information about each Wisconsin performance within 90 days of the performance. This law covers performances for which the contract price exceeds \$1,950. The reporting requirement was enacted in the 1977-79 Budget Act (Chapter 29, Laws of 1977).

Under the law, an "employer" is any Wisconsin resident person or firm which engages the services of a nonresident entertainer or athlete or an entertainment corporation. In the absence of such "employer", the person required to report to the Department is the resident person last having receipt, custody or control of proceeds of the entertainment event.

The law defines "entertainment corporation" as a domestic or foreign corporation which derives income from amusement, entertainment or sporting events in this state or from the services of an entertainer.

The information report (Form 9C) requires such information as the name, address and Wisconsin tax identification number (if any) of the employer; the entertainer's stage name, true name, address and social security number or the name and address of the entertainment corporation; and the date, place and total amount of remuneration received for each performance.

Copies of Form 9C may be obtained by writing:

Wisconsin Department of Revenue
Central Services Section
P.O. Box 8903
Madison, Wisconsin 53708

Any questions about the requirements of this law may be directed to:

Wisconsin Department of Revenue
Compliance Bureau
P.O. Box 8902
Madison, Wisconsin 53708
Telephone (608) 266-2776

DEPARTMENT CONVERTING TIMS TO ADMINISTRATIVE RULES

Technical Information Memoranda (TIMs) have been issued by the Department since 1968. TIMs have been a convenient, informal way of providing tax practitioners, members of the business community and other members of the public with interpretations of specific provisions of Wisconsin tax statutes.

During 1976, the Department began converting TIMs to administrative rules. The procedures for adopting administrative rules are contained in Ch. 227, Wis. Stats.. Whenever a TIM is adopted in rule form, the TIM is withdrawn and a notice of the withdrawal is sent to TIM subscribers.

Administrative rules of the Department are part of the Wisconsin Administrative Code and are available on a subscription basis. The charge for a booklet containing current Department rules is \$1.20 and the annual calendar year subscription service to keep the booklet current is presently \$1.20.

For information on how to obtain a subscription to the Department's administrative rules, you may write:

Document Sales Section
Department of Administration
202 South Thornton Avenue
Madison, WI 53702

REPORT ON LITIGATION

(This portion of the WTB summarizes recent significant Tax Appeals Commission and Wisconsin court decisions. In cases which decisions adverse to the Department's position are rendered, it will be noted whether or not the Department acquiesces or will appeal.)

Department of Revenue vs. Milwaukee Refining Corp. (80 Wis. 2d 44, Wisconsin Supreme Court, October 4, 1977). The taxpayer was in the business of selling gold to dentists for use in patient care. The taxpayer does not manufacture or refine the gold, but rather purchases it from third parties in the form of small bars and sells the bars, unaltered, to dentists. Dentists then use the gold in rendering professional services, such as providing inlays and bridges, to their patients. The Department took the position that the dentists are the ultimate users and consumers of the gold and assessed sales tax against the taxpayer based on the gross receipts from the sales.

The Court held that the sales of gold to dentists made by the taxpayer were not sales made "at retail" by a "retailer" as the terms are used in s. 77.52 (1), Wis. Stats.. The sales are, therefore, not subject to Wisconsin's sales tax.

TAX RELEASES

("Tax Releases" are designed to provide answers to the specific tax questions covered, based on the facts indicated. However, the answers may not apply to all questions of a similar nature. In situations where the facts vary from those given herein, it is recommended that advice be sought from the Department. Unless otherwise indicated, Tax Releases apply for all periods open to adjustment. All references to section numbers are to the Wisconsin Statutes unless otherwise noted.

NOTE: Many of these were formerly distributed to Department personnel as sales tax memos or reports. It is thought that these positions would be of help to taxpayers and tax practitioners.)