

**Important Rate Changes!**

- Racine County tax begins April 1, 2025
- Manitowoc County tax begins January 1, 2025
- Milwaukee County tax increases January 1, 2024
- City of Milwaukee tax begins January 1, 2024
- Menominee County tax begins April 1, 2020
- Baseball stadium district tax ends March 31, 2020
- Outagamie County tax begins January 1, 2020
- Calumet County tax begins April 1, 2018
- Brown County tax begins January 1, 2018
- Kewaunee County tax begins April 1, 2017
- Sheboygan County tax begins January 1, 2017

See the [Sales Tax Rate Chart](#) for more information.

# Dentists

## How Do Wisconsin Sales and Use Taxes Affect Your Business?

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## I. INTRODUCTION

### A. General

This publication explains how Wisconsin state sales and use taxes affect dentists. The publication includes examples of taxable and nontaxable sales and purchases.

The information in this publication relates to the state's 5% sales and use tax. Certain sales and purchases by dentists that are subject to the 5% state sales or use tax may also be subject to the: (a) 0.5% county sales or use tax, (b) 0.1% baseball stadium sales or use tax, and (c) 0.5% football stadium sales or use tax. Additional information about these taxes is contained in [Publication 201](#).

[Publication 201](#) is available on the department's website – [revenue.wi.gov](http://revenue.wi.gov).

### CAUTION

The information in this publication reflects the positions of the Wisconsin Department of Revenue of laws enacted by the Wisconsin Legislature and in effect as of March 1, 2015. Laws enacted and in effect after this date, new administrative rules, and court decisions may change the interpretations in this publication. Also note that lists of taxable or exempt items in this publication are not all-inclusive. They merely set forth common examples.

## II. NATURE OF SALES AND USE TAX

### A. Who is Subject to Sales Tax?

Persons making retail sales of taxable products or services in Wisconsin are required to remit Wisconsin sales tax on these sales, unless an exemption applies. A seller making taxable sales may collect the tax from the consumer or user (i.e., the purchaser).

Department stores and restaurants are examples of retailers that sell taxable products and services. However, dentists may also make sales of taxable products and services.

### B. What is Taxable?

Sales, licenses, leases, and rentals of tangible personal property, certain coins and stamps, certain leased property affixed to realty, certain digital goods, and certain services are subject to the Wisconsin state sales tax. **Note:** Certain sales by a dentist are exempt from tax. See Part IV. for examples.

For further information about these taxable products and services, see [Publication 201](#), *Wisconsin Sales and Use Tax Information*.

### C. What is Use Tax?

Use tax is imposed upon the storage, use, or other consumption in Wisconsin of taxable products and services for which sales tax was not paid, unless an exemption applies. Use tax is also imposed upon a purchaser when products are purchased without tax for an exempt purpose or without tax from an out-of-state company (e.g., online purchases where the seller did not charge Wisconsin sales tax) and are used in Wisconsin by the purchaser in a taxable manner. Therefore, a dentist may be subject to use tax on its purchases if the seller did not charge Wisconsin sales tax.

The use tax rate is the same as the sales tax rate and is based on the purchase price of the product. Part VI. provides examples of purchases by a dentist that are subject to Wisconsin use tax.

#### D. Seller's Permit

A seller's permit shows that a person is properly registered with the Department of Revenue to make taxable sales. A retailer making sales of taxable products or services at retail in Wisconsin must register with the department.

See Part III. of [Publication 201](#), *Wisconsin Sales and Use Tax Information*, for information about how to obtain a seller's permit.

Information about filing sales and use tax returns is also provided in [Publication 201](#), Part VIII.

**Note:** A dentist does not need a seller's permit if none of its sales are taxable. See Part IV. for information about when a dentist's sales and services are taxable.

### III. DEFINITIONS

- "Drug" means a compound, substance, or preparation, or any component of them, other than food and food ingredients, dietary supplements, or alcoholic beverages, to which any of the following applies:

(a) It is listed in the United States Pharmacopoeia, Homeopathic Pharmacopoeia of the United States, or National Formulary, or any supplement to any of them.

(b) It is intended for use in diagnosing, curing, mitigating, treating, or preventing a disease.

(c) It is intended to affect a function or structure of the body.

- "Manufacturing" means the production by machinery of a new article of tangible personal property or item or property under sec. 77.52(1)(b) or (c), Wis. Stats., with a different form, use, and name from existing materials, by a process popularly regarded as manufacturing, and that begins with 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 item or property under sec. 77.52(1)(b) or (c), Wis. Stats., to the point of first storage in the same plant.

"Manufacturing" includes conveying work in progress directly from one manufacturing process to another in the same plant; testing or inspecting, throughout the manufacturing process, the new article of tangible personal property or item or property under sec. 77.52(1)(b) or (c), Wis. Stats., that is being manufactured; storing work in progress in the same plant where the manufacturing occurs; assembling finished units of tangible personal property or item or property under sec. 77.52(1)(b) or (c), Wis. Stats.; and packaging a new article of tangible personal property or items or property under sec. 77.52(1)(b) or (c), Wis. Stats., if the manufacturer, or another person on the manufacturer's behalf, performs the packaging and if the packaging becomes part of the new article as it is customarily offered for sale by the manufacturer.

"Manufacturing" does not include storing raw materials or finished units of tangible personal property or items or property under sec. 77.52(1)(b) or (c), Wis. Stats., research or development, delivery to or from the plant, or repairing or maintaining plant facilities.

- "Prosthetic device" means a replacement, corrective, or supportive device, including the repair parts and replacement parts for the device, that is placed in or worn on the body to artificially replace a missing portion of

the body; to prevent or correct a physical deformity or malfunction; or to support a weak or deformed portion of the body.

#### IV. SALES BY DENTISTS

##### A. Charges for Dental Services Are Not Taxable

Charges by dentists for dental services for human beings are not subject to Wisconsin sales tax.

##### B. Charges for Tangible Personal Property Transferred with Dental Services Are Not Taxable

1. A dentist's separate charge for products that are provided to patients in conjunction with dental services is not taxable. Examples include (this list is not all-inclusive):

- Bandages
- Cotton
- Gauze
- Retainers
- Teeth guards (i.e., used for patients who grind their teeth)
- Teeth whitening trays

**Example:** Dentist Office provides a teeth whitening dental service to Patient. On the invoice to Patient, Dentist Office has separate line charges for the teeth whitening dental service, teeth whitening gel, and teeth whitening trays. The sale by Dentist Office of the teeth whitening dental service is not subject to Wisconsin sales or use tax. The sale by Dentist Office of the teeth whitening gel and teeth whitening trays provided in conjunction with the teeth whitening dental service is also not subject to Wisconsin sales or use tax. Dentist Office is subject to Wisconsin sales or use tax on its purchase of the teeth whitening trays that it uses in providing the teeth whitening dental service. Dentist Office is not subject to tax on its purchase of the teeth whitening gel because Dentist Office is purchasing a drug that it uses in providing the teeth whitening dental service to Patient.

See Part VI.A.1.b. for the tax treatment of a dentist's purchase of tangible personal property transferred with dental services. In addition, see Part VI.B.2. for information on drugs sold to dentists.

2. Charges by dentists for products specifically designed for a human patient, including parts and accessories for those products, which are installed in a patient's mouth are not subject to Wisconsin sales tax. Examples include (this list is not all-inclusive):

- Artificial teeth
- Bridges
- Crowns
- Fillings
- Inlays

See Part VI.B.1. for the tax treatment of a dentist's purchase of prosthetic devices.

##### C. Charges for Drugs By a Licensed Dentist to a Patient Are Not Taxable

Charges for drugs that are furnished by licensed dentists to patients who are human beings for treatment of the patients are not subject to Wisconsin sales tax. Examples include (this list is not all-inclusive):

- Analgesics
- Anesthetics
- Antibiotics, including creams and ointments
- Fluoride
- Mouthwash
- Teeth whitening gels
- Toothpaste

**Note:** If a dentist sells over-the-counter drugs (e.g., ibuprofen, mouthwash, toothpaste) to customers without also providing dental services, its sales of these drugs are taxable.

See Part VI.B.2. for information related to a dentist's purchase of drugs.

#### **D. Taxable Sales of Tangible Personal Property**

Charges by dentists for items that are sold without dental services are subject to Wisconsin sales tax. Examples include (this list is not all-inclusive):

- Dental floss
- Mouth guards, including custom fit mouth guards (i.e., used by persons engaged in athletic activities)
- Teeth whitening strips
- Toothbrushes

**Note:** Sales of tangible personal property by a person who does not hold and is not required to hold a seller's permit may be exempt from Wisconsin sales tax if they qualify as occasional sales. See Part V. for information on occasional sales.

### **V. OCCASIONAL SALES**

Sales of items listed in Part IV.D. may be exempt from Wisconsin sales and use tax as occasional sales if certain conditions are met. If a dentist's sales qualify for the occasional sale exemption, the dentist is not required to remit Wisconsin sales tax on such sales.

**Note:** A dentist is required to pay Wisconsin sales or use tax on its purchases of tangible personal property and taxable services which it resells as exempt occasional sales.

A dentist qualifies for the occasional sale exemption if:

- a. It does not hold and is not required to hold a Wisconsin seller's permit, and
- b. It meets either Condition 1 or Condition 2 (below).

**Condition 1** - Its "taxable sales" of tangible personal property and taxable services are less than \$1,000 during the calendar year. "Taxable sales" means total taxable receipts from sales of taxable products and services, after subtracting allowable deductions.

**Example:** Dentist Office does not hold a Wisconsin seller's permit. Dentist Office sells toothbrushes during the year totaling \$1,200 in sales. Valid, fully completed exemption certificates (see Appendix A) were provided to

Dentist Office for \$300 of these sales. Dentist Office did not sell any other tangible personal property or taxable services during the year.

Dentist Office's sales of toothbrushes qualify for the occasional sale exemption because Dentist Office's "taxable sales" were less than \$1,000 (i.e., \$1,200 - \$300 = \$900). **Note:** Since Dentist Office's sales of toothbrushes qualify for the occasional sale exemption, Dentist Office is not required to charge sales tax to the purchaser. However, Dentist Office is required to pay Wisconsin sales or use tax on its purchase price of the toothbrushes it sells.

**Condition 2** - Its "taxable sales" of tangible personal property and taxable services are \$1,000 or more during the calendar year, but (a) its sales of such property and services are isolated and sporadic, and (b) the facts and circumstances support the inference that the dentist is not pursuing a business or part-time business as a vendor of tangible personal property or taxable services.

**Example:** Dentist Office does not hold a seller's permit. Dentist Office sells one piece of used equipment for \$10,000. Dentist Office makes no other sales of tangible personal property or taxable services during the calendar year.

Although Dentist Office's taxable sales are more than \$1,000, its sale of the used equipment is exempt from Wisconsin sales and use tax because (a) the sales occur on an isolated and sporadic basis (e.g., only one taxable sale in the year), and (b) the facts and circumstances support the inference that Dentist Office is not pursuing a business or part-time business as a vendor of personal property or taxable services (i.e., Dentist Office makes no other sales of tangible personal property or taxable services).

**Note:** If a dentist has a question as to whether its sales qualify for the occasional sale exemption, it should write to the Wisconsin Department of Revenue, Mail Stop 5-77, P.O. Box 8949, Madison, WI 53708-8949 or email the department at [DORSalesandUse@revenue.wi.gov](mailto:DORSalesandUse@revenue.wi.gov).

Additional information about the occasional sales exemption, including information about how to determine "taxable sales," is provided in [Wisconsin Tax Bulletin #122-30](#) (October 2000).

## VI. DENTIST'S PURCHASES

### A. Taxable Purchases

Taxable purchases by a dentist include the following (this list is not all-inclusive):

**Note:** If Wisconsin sales tax is not charged by the supplier of the property, item, good, or taxable service, Wisconsin use tax must be reported and paid by the dentist to the Wisconsin Department of Revenue on its *Wisconsin Sales and Use Tax Return* ([Form ST-12](#)) or *Consumer Use Tax Return* ([Form UT-5](#)).

#### 1. Tangible Personal Property and Digital Goods

The following are examples of tangible personal property and digital goods purchased by dentists which are subject to Wisconsin sales or use tax (these lists are not all-inclusive):

##### a. Office Equipment and Supplies

- Advertising brochures and literature, except:
  - advertising and promotional direct mail,
  - certain catalogs and their mailing envelopes, and

- certain printed advertising materials transported outside Wisconsin by the printer or the dentist (see [Publication 235](#), *Advertising Companies*)
- Appointment reminder cards
- Cleaning supplies
- Communication equipment such as intercoms and telephones
- Computers and computer supplies
- Copy machines and supplies
- Digital music downloads
- Office furniture
- Paper, pens, and pencils
- Prewritten computer software (e.g. accounting and billing software)
- Televisions

**b. Equipment and Supplies Used by Dentist in Providing Services to Patients**

- Bandages
- Bibs
- Cotton
- Dental equipment
- Facemasks
- Forceps
- Gauze
- Gowns
- Lab equipment
- Plastic sheets used to make retainers
- Prewritten computer software (e.g. CAD, CAM)
- Rubber gloves
- Scissors
- Surgical instruments
- Teeth whitening trays (see Part VI.B.2. for information on a dentist's purchase of teeth whitening gels)
- Tongue depressors
- Tools
- Uniforms and scrubs
- X-ray machines

**Note:** Items purchased and **used** by dentists in providing nontaxable dental services are subject to Wisconsin sales and use tax. Dentists are deemed the consumers of tangible personal property they furnish to patients in providing dental services, except for the items listed in Part VI.B.1. and 2.

**c. Promotional Items**

If a dentist purchases taxable products (e.g., dental floss, stickers, toothbrushes) and gives them to its customers for no charge, the dentist's purchase of the products is taxable. If the dentist did not pay sales tax to the seller when buying the products, the dentist owes Wisconsin use tax on its purchases of the products.



**Example 1:** Dentist Office buys toothbrushes without tax for resale. Dentist Office gives a toothbrush for no charge to each patient who receive dental services. Dentist Office owes Wisconsin use tax on its purchase of the toothbrushes that it gives away.

**Example 2:** Dentist Office buys cartoon stickers from a vendor located outside Wisconsin and does not pay any sales or use tax to the vendor. Dentist Office gives a sticker to each child who receives dental services. Dentist Office owes Wisconsin use tax on its purchase of the stickers.

## 2. Services

The following are examples of services purchased by dentists which are subject to Wisconsin sales or use tax (this list is not all-inclusive):

- Cable and satellite television
- Inspecting, repairing, and maintaining tangible personal property (e.g., computers, dental equipment, furnaces, water softeners, water heaters)
- Internet access services
- Landscaping
- Telephone service

## B. Nontaxable Purchases

Nontaxable purchases by dentists include the following (this list is not all-inclusive):

### 1. Prosthetic Devices Sold to Dentists

Purchases by dentists of prosthetic devices installed in a patient's mouth, including accessories for such devices, that are used for a human being are not subject to Wisconsin sales or use tax. Examples include (this list is not all-inclusive):

- Bands
- Bonding agents used in conjunction with fillings
- Brackets
- Bridges
- Crowns
- Crown cement
- Dentures
- Fillings, including gold, silver, amalgam, and other alloys
- Implants
- Inlays
- Positioners
- Retainers
- Space maintainers
- Temporary crowns
- Veneers
- Wire

**Note:** Purchases of raw materials by a dentist who will use the raw materials to make prosthetic devices are subject to Wisconsin sales or use tax because the raw materials are not prosthetic devices at the time of purchase.

**Example 1:** Dentist Office purchases plastic sheets that will be used to make retainers for human patients. As part of the dental services, Dentist Office uses the plastic sheets to specifically design retainers for patients. The purchase of the plastic sheets by Dentist Office is subject to Wisconsin sales or use tax because Dentist Office is not purchasing a prosthetic device.

**Example 2:** Same facts as Example 1, except instead of making the retainers for patients, Dentist Office purchases the specifically designed retainers from Dental Lab. The purchase of the retainers by Dentist Office from Dental Lab is not subject to Wisconsin sales or use tax because Dentist Office is purchasing prosthetic devices.

**Example 3:** Dentist Office purchases plastic sheets that will be used to make custom mouth guards that will be used to protect the teeth by persons engaged in athletic activities (not in conjunction with a dental service). Dentist Office may purchase the plastic sheets to make the custom mouth guards without tax by furnishing the supplier a fully completed exemption certificate (Appendix A), claiming resale. The sale of the mouth guard by Dentist Office to customers is subject to Wisconsin sales or use tax because the custom mouth guard is tangible personal property and not a prosthetic device. Dentist Office's taxable sales price includes its charge for the mouth guard and its charge for labor to customize it.

**Example 4:** Dentist Office purchases CEREC block that will be used by Dentist Office to make a crown for Patient. As part of the dental service, Dentist Office specifically designs a crown and installs it in Patient's mouth. The purchase of the CEREC block by Dentist Office is subject to Wisconsin sales or use tax because Dentist Office is not purchasing a prosthetic device.

**Example 5:** Same facts as Example 4, except instead of making the crown for Patient, Dentist Office purchases the specifically designed crown from Dental Lab. The purchase of the crown by Dentist Office from Dental Lab is not subject to Wisconsin sales or use tax because Dentist Office is purchasing a prosthetic device.

## 2. Drugs Sold to Dentists

Purchases of drugs by a dentist used in the treatment of human beings are not subject to Wisconsin sales or use tax. Examples include (this list is not all-inclusive):

- Analgesics (e.g., acetaminophen, ibuprofen, vicodin)
- Anesthetics (e.g., ketamine, lidocaine, nitrous oxide, oxygen)
- Antibiotics (e.g., amoxicillin, clindamycin, doxycycline, erythromycin, penicillin)
- Antibiotic creams and ointments
- Bone regeneration materials
- Fluoride
- Mouthwash and mouth rinse (e.g., chlorhexidine)
- Oxygen
- Sedation medicines (e.g., fentanyl, hydroxyzine)
- Teeth whitening gel (see Part VI.A.1.b. for information on a dentist's purchase of teeth whitening trays)
- Toothpaste

### 3. Tangible Personal Property to Be Resold

Dentists generally owe sales or use tax on their purchase of products they use in providing their dental services, with the exception of the products listed in 1. and 2., above.

If a dentist sells products (e.g., dental floss, mouth guards, toothbrushes) without providing dental services, its sales of these products are taxable, unless an exemption applies (e.g., occasional sale exemption). A dentist may purchase such products without tax, for resale. In order to purchase these items without tax, a dentist must provide its supplier with a fully completed *Wisconsin Sales and Use Tax Exemption Certificate (Form S-211* in Appendix A) or *Streamlined Sales and Use Tax Certificate of Exemption – Wisconsin (Form S-211-SST)*, claiming resale.

**Note:** If a dentist's sale of products qualifies for the occasional sale exemption, as explained in Part V., the dentist may not purchase these products without tax for resale. Rather, the dentist must pay sales or use tax on its purchase of these products.

### 4. Amalgam Separators

Purchases by dentists of amalgam separators that remove or reduce particles of amalgam from wastewater are not subject to Wisconsin sales or use tax. The amalgam separator is tangible personal property which becomes a component part of an industrial waste treatment facility. The exemption includes replacement parts, chemicals, and supplies used or consumed in operating the amalgam separator. In addition, services related to the installation, repair, service, alteration, fitting, cleaning, painting, coating, towing, inspection and maintenance of the exempt amalgam separators are also exempt.

**Note:** The exemption only relates to dentists who dispose of the amalgam. If a dentist collects and sells the amalgam, the exemption for the separators, chemicals, and supplies does not apply.

**Example 1:** Dentist Office purchases an amalgam separator from Supplier, a Wisconsin retailer. Dentist Office hires Plumber to install the amalgam separator. Dentist Office may purchase the amalgam separator without tax from Supplier by furnishing Supplier with a fully completed exemption certificate (see Appendix A) claiming the property is exempt as a component part of an industrial waste treatment facility. Dentist Office may purchase the installation services from Plumber without tax by furnishing Plumber with an exemption certificate claiming the services are exempt because the installation service relates to property that is exempt.

**Example 2:** Dentist Office contracts with Plumber to furnish and install an amalgam separator. Plumber may purchase the amalgam separator without tax by furnishing the seller with an exemption certificate claiming the sale is for resale. Dentist Office may purchase the amalgam separator without tax from Plumber by furnishing Plumber with a fully completed exemption certificate (see Appendix A) claiming the property is exempt as a component part of an industrial waste treatment facility. In addition, Dentist Office may purchase the installation services of Plumber without tax by furnishing Plumber with an exemption certificate claiming the services are exempt because the installation service relates to property that is exempt.

**Example 3:** Dentist Office has installed an amalgam separator that uses a filter to trap amalgam particles. The filter needs to be replaced several times per year. The replacement is performed by personnel employed by Dentist Office. Dentist Office may purchase the filters without tax by furnishing the seller with a fully completed exemption certificate (see Appendix A) claiming the purchase is exempt as a supply used or consumed in operating an industrial waste treatment facility.

**Example 4:** Dentist Office contracts with Contractor to inspect and perform necessary maintenance and repairs to its amalgam separator. Contractor may purchase repair and replacement parts for the amalgam separator without tax by furnishing the seller with a fully completed exemption certificate claiming the sale is for resale. Dentist Office may purchase the repair and replacement parts for the amalgam separator without tax from Contractor by furnishing Contractor with a fully completed exemption certificate (see Appendix A) claiming the property is exempt as a replacement part for an industrial waste treatment facility. Dentist Office may purchase the repair and replacement services from Contractor without tax by furnishing Contractor with a fully completed exemption certificate claiming the services are exempt because the services relate to property that is exempt.

See Part IX. of [Publication 203](#), *Sales and Use Tax Information for Manufacturers*, for information about waste treatment facilities.

## VII. DENTAL LABS

Dental labs may be engaged in manufacturing tangible personal property (e.g., crowns, bridges). These dental labs may claim sales and use tax exemptions for manufacturers on their purchases of machinery and specific processing equipment and/or property consumed in their manufacturing process. Information is provided in [Wisconsin Tax Bulletin #84-29](#), "Manufacturing Exemptions As They Apply to Dental Labs." Additional information about manufacturing, including exemptions that may apply, can also be found in [Publication 203](#), *Sales and Use Tax Information for Manufacturers*.

**Note:** Dentists are not popularly regarded as manufacturers when providing dental services to patients. The manufacturing exemptions do not apply to the equipment/supplies used by the dentist or the dentist's employees while performing services for patients (e.g., installing crowns or bridges).

## VIII. KEEPING AWARE OF NEW SALES AND USE TAX DEVELOPMENTS

Dentists should be aware of changes in the tax laws, court cases, and other published guidance which may affect how to file returns and compute the tax. Check the [department's website](#) regularly for tax news and information.

The Department of Revenue also has several [electronic mailing lists](#) available to the public. The department will send an email to subscribers on information and news specific to the respective list they have signed up for.

## IX. DO YOU HAVE QUESTIONS OR NEED ASSISTANCE

If you are unable to find an answer to your question about sales and use taxes, email, write, or call the department.

Visit our website . . .	<a href="http://revenue.wi.gov">revenue.wi.gov</a>
Email . . .	<a href="mailto:DORSalesandUse@revenue.wi.gov">DORSalesandUse@revenue.wi.gov</a>
Write . . .	Wisconsin Department of Revenue P.O. Box 8949, Mail Stop 5-77 Madison, WI 53708-8949
Telephone . . .	(608) 266-2776
Fax . . .	(608) 267-1030

You may also contact any of the Department of Revenue offices. Please see the department's website for a [listing of offices](#) and their current hours.

## WISCONSIN SALES AND USE TAX EXEMPTION CERTIFICATE

Check One  Single Purchase  Continuous

Purchaser's Business Name	Purchaser's Address
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The above purchaser, whose signature appears on the reverse side of this form, claims exemption from Wisconsin state, county, baseball or football stadium, local exposition, and premier resort sales or use tax on the purchase, lease, license, or rental of tangible personal property, property under sec. 77.52(1)(b), items under sec. 77.52(1)(c), goods under sec. 77.52(1)(d), or taxable services, as indicated by the box(es) checked below.

I hereby certify that I am engaged in the business of selling, leasing, licensing, or renting: \_\_\_\_\_

*(Purchaser's description of property, items, goods, or services sold by purchaser.)*

Purchaser's description of property or services purchased (itemize property, items, or goods purchased if "single purchase"):

Seller's Name	Seller's Address
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### REASON FOR EXEMPTION

**Resale** (Enter purchaser's seller's permit or use tax certificate number) \_\_\_\_\_

#### Manufacturing and Biotechnology

- Tangible personal property (TPP) or item under s.77.52(1)(b) that is used exclusively and directly by a manufacturer in manufacturing an article of TPP or items or property under s.77.52(1)(b) or (c) that is destined for sale and that becomes an ingredient or component part of the article of TPP or items or property under s.77.52(1)(b) or (c) destined for sale or is consumed or destroyed or loses its identity in manufacturing the article of TPP or items or property under s.77.52(1)(b) or (c) destined for sale.
- Machines and specific processing equipment and repair parts or replacements thereof, exclusively and directly used by a manufacturer in manufacturing tangible personal property or items or property under s.77.52(1)(b) or (c) and safety attachments for those machines and equipment.
- The repair, service, alteration, fitting, cleaning, painting, coating, towing, inspection, and maintenance of machines and specific processing equipment, that the above purchaser would be authorized to purchase without sales or use tax, at the time the service is performed. Tools used to repair exempt machines are not exempt.
- Fuel and electricity consumed in manufacturing tangible personal property or items or property under s.77.52(1)(b) or (c) in this state.  
Percent of fuel exempt: \_\_\_\_\_ %      Percent of electricity exempt: \_\_\_\_\_ %
- Portion of the amount of fuel converted to steam for purposes of resale. Percent of fuel exempt: \_\_\_\_\_ %
- Property used exclusively and directly in qualified research, by persons engaged in manufacturing at a building assessed under s. 70.995, by persons engaged primarily in biotechnology in Wisconsin, or a combined group member conducting qualified research for another combined group member that meets these requirements.

#### Farming (To qualify for this exemption, the purchaser must use item(s) exclusively and directly in the business of farming, including dairy farming, agriculture, horticulture, floriculture, silviculture, or custom farming services.)

- Tractors (except lawn and garden tractors), all-terrain vehicles (ATV) and farm machines, including accessories, attachments, and parts, lubricants, nonpowered equipment, and other tangible personal property or items or property under s.77.52(1)(b) or (c) that are used exclusively and directly, or are consumed or lose their identities in the business of farming. This includes services to the property and items above.
- Feed, seeds for planting, plants, fertilizer, soil conditioners, sprays, pesticides, and fungicides.
- Breeding and other livestock, poultry, and farm work stock.
- Containers for fruits, vegetables, grain, hay, and silage (including containers used to transfer merchandise to customers), and plastic bags, sleeves, and sheeting used to store or cover hay and silage. Baling twine and baling wire.
- Animal waste containers or component parts thereof (may only mark certificate as "Single Purchase").
- Animal bedding, medicine for farm livestock, and milk house supplies.

APPENDIX A

<b>Governmental Units and Other Exempt Entities</b>	Enter CES No., if applicable
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- The United States and its unincorporated agencies and instrumentalities.
- Any federally recognized American Indian tribe or band in this state.
- Wisconsin state and local governmental units, including the State of Wisconsin or any agency thereof, Wisconsin counties, cities, villages, or towns, and Wisconsin public schools, school districts, universities, or technical college districts.
- Organizations organized and operated exclusively for religious, charitable, scientific, or educational purposes, or for the prevention of cruelty to children or animals. CES Number \_\_\_\_\_ (Required for Wisconsin organizations).

**Other**

- Containers and other packaging, packing, and shipping materials, used to transfer merchandise to customers of the purchaser.
- Trailers and accessories, attachments, parts, supplies, materials, and service for motor trucks, tractors, and trailers which are used exclusively in common or contract carriage under LC, IC, or MC No. (if applicable) \_\_\_\_\_.
- Machines and specific processing equipment used exclusively and directly in a fertilizer blending, feed milling, or grain drying operation, including repair parts, replacements, and safety attachments.
- Building materials acquired solely for and used solely in the construction or repair of holding structures used for weighing and dropping feed or fertilizer ingredients into a mixer or for storage of such grain, if such structures are used in a fertilizer blending, feed milling, or grain drying operation.
- Tangible personal property purchased by a person who is licensed to operate a commercial radio or television station in Wisconsin, if the property is used exclusively and directly in the origination or integration of various sources of program material for commercial radio or television transmissions that are generally available to the public free of charge without a subscription or service agreement.
- Fuel and electricity consumed in the origination or integration of various sources of program material for commercial radio or television transmissions that are generally available to the public free of charge without a subscription or service agreement.  
Percent of fuel exempt: \_\_\_\_\_ %                      Percent of electricity exempt: \_\_\_\_\_ %
- Tangible personal property and items, property and goods under s.77.52(1)(b), (c), and (d) to be resold by \_\_\_\_\_ on my behalf where \_\_\_\_\_ is registered to collect and remit sales tax to the Department of Revenue on such sales.
- Tangible personal property, property, items and goods under s.77.52(1)(b), (c), and (d), or services purchased by a Native American with enrollment # \_\_\_\_\_, who is enrolled with and resides on the \_\_\_\_\_ Reservation, where buyer will take possession of such property, items, goods, or services.
- Tangible personal property and items and property under s.77.52(1)(b) and (c) becoming a component of an industrial or municipal waste treatment facility, including replacement parts, chemicals, and supplies used or consumed in operating the facility. Caution: Do not check the "continuous" box at the top of page 1.
- Portion of the amount of electricity or natural gas used or consumed in an industrial waste treatment facility. (Percent of electricity or natural gas exempt \_\_\_\_\_ %)
- Electricity, natural gas, fuel oil, propane, coal, steam, corn, and wood (including wood pellets which are 100% wood) used for fuel for residential or farm use.

	% of Electricity Exempt	% of Natural Gas Exempt	% of Fuel Exempt
<input type="checkbox"/> Residential .....	_____ %	_____ %	_____ %
<input type="checkbox"/> Farm .....	_____ %	_____ %	_____ %
- Address Delivered: \_\_\_\_\_
- Percent of printed advertising material solely for out-of-state use. \_\_\_\_\_ %
- Catalogs, and the envelopes in which the catalogs are mailed, that are designed to advertise and promote the sale of merchandise or to advertise the services of individual business firms.
- Computers and servers used primarily to store copies of the product that are sent to a digital printer, a plate-making machine, or a printing press or are used primarily in prepress or postpress activities, by persons whose NAICS code is 323111, 323117, or 323120.
- Purchases from out-of-state sellers of tangible personal property that are temporarily stored, remain idle, and not used in this state and that are then delivered and used solely outside this state, by persons whose NAICS code is 323111, 323117, or 323120.
- Other purchases exempted by law. (State items and exemption). \_\_\_\_\_

(DETACH AND PRESENT TO SELLER)

*I hereby certify that if the item(s) being purchased are not used in an exempt manner, I will remit use tax on the purchase price at the time of first taxable use. I understand that failure to remit the use tax may result in a future liability that may include tax, interest, and penalty.*

Signature of Purchaser	Print or Type Name	Title	Date
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## INSTRUCTIONS

This certificate may be used to claim exemption from Wisconsin state, county, baseball and football stadium, local exposition, and premier resort sales or use 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 is one which is completely filled in and indicates the reason for exemption.

**RESALE:** A purchaser using the resale exemption is attesting that the tangible personal property, property, items, or goods under sec. 77.52(1)(b), (c), or (d), or taxable services being purchased will be resold, leased, licensed, or rented. However, in the event any such property, items, or goods 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 the tax on the purchase of the property, item, or good.

The following purchasers may make purchases for resale even though they do not hold a Wisconsin seller's permit or use tax certificate: (a) A wholesaler who only sells to other sellers for resale may insert "Wholesale only" in the space for the seller's permit number; (b) A person who only sells or repairs exempt property, such as to a manufacturer or farmer, may insert "Exempt sales only"; (c) A nonprofit organization may insert "Exempt sales only" if its subsequent sales of the tangible personal property, property, items, or goods under sec. 77.52(1)(b), (c), or (d), or taxable services are exempt as occasional sales.

A seller is allowed to accept an exemption certificate from an out-of-state retailer claiming the resale exemption for tangible personal property and items, property, and goods under sec. 77.52(1)(b), (c) and (d), Wis. Stats., drop shipped to a Wisconsin location, regardless of whether or not the out-of-state retailer holds 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. If the exemption certificate does not list the Wisconsin seller's permit number or the out-of-state retailer's permit number and state, to be fully complete and valid the exemption certificate must contain a statement indicating the out-of-state retailer is a seller that is not required to hold a permit.

A resale exemption may be granted if the purchaser is unable to ascertain 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 are exempt all 12 months of the year. Farmers claiming this exemption should check the box for electricity and fuel located in the "Other" section.

This certificate cannot be used as an exemption for paying Wisconsin motor vehicle fuel tax.

**GOVERNMENTAL UNITS AND OTHER EXEMPT ENTITIES:** A seller may accept exemption certificates 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 or tribe or band, or (2) record the governmental unit or tribe or band's Certificate of Exempt Status (CES) number on its invoices. 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, Professional Baseball Park District, Professional Football Stadium District, UW Hospitals and Clinics Authority, Wisconsin Aerospace Authority, Health Insurance Risk-Sharing Plan Authority, Wisconsin Economic Development Authority, Fox River Navigational System Authority, public inland lake protection and rehabilitation districts, municipal public housing authorities, uptown business improvement districts, local cultural arts districts, county-city hospitals, sewerage commissions, metropolitan sewerage districts, or joint local water authorities.

**Organizations holding a Certificate of Exempt Status (CES) number:** Wisconsin organizations organized and operated exclusively for religious, charitable, scientific, or educational purposes, or for the prevention of cruelty to children or animals, may purchase products or services exempt from Wisconsin sales tax if the organization holds a CES number issued by the Wisconsin Department of Revenue. Wisconsin and federal governmental units, and any federally recognized American Indian tribe or band in Wisconsin, will also qualify for a CES.

A similar out-of-state organization, generally organized under sec. 501(c)(3) of the Internal Revenue Code, may purchase products or services exempt from Wisconsin sales tax even though it has not been issued a CES number. This exemption does *not* apply to out-of-state public schools, including public colleges and universities, and governmental units from other states.



## APPENDIX A

Purchases (for lodging, meals, auto rental, etc.) by employees/representatives of exempt organizations performing organization business, are exempt from sales tax, provided 1) the retailer issues the billing or invoice in the name of the exempt organization, 2) the CES number is entered on the billing or invoice, and 3) the retailer 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 those units used "exclusively" in such 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:** The exemption applies to the sale of tangible personal property and items and property under sec. 77.52(1)(b) and (c) 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:

1. 100% of the electricity, fuel, or natural gas is for exempt use.
2. 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.
3. 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 exempted by law include:**

1. 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.
2. Parts, supplies, or repairs for a school bus used exclusively as a contract carrier pursuant to a contract with a school or other organization.
3. Waste reduction and recycling machinery and equipment, including parts and repairs, which are exclusively and directly used for waste reduction and recycling activities.
4. Railway cars, locomotives, and other rolling stock used in railroad operations, or accessories, attachments, parts, lubricants, or fuel therefor.
5. 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.
6. 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.
7. 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.
8. Effective July 1, 2013, 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.
9. Effective July 1, 2013, advertising and promotional direct mail and printing services used to produce advertising and promotional direct mail.

**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  
Customer Service Bureau  
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Madison WI 53708-8949

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