

Exception: A special provision applies to corporations which have a net tax of more than \$500 and have not paid at least 90% of the tax by the unextended due date. For these corporations, under sec. 71.84(2), Wis. Stats. (1989-90), the 12% interest rate during an extension period applies only to the 10% of the tax liability not required to be prepaid as estimated tax. Interest of 18% per year applies to the remainder of the unpaid tax from the unextended due date until the date paid. □

SALES AND USE TAXES

Note: The following tax releases interpret the Wisconsin sales and use tax law as it applies to the 5% state sales and use tax. The ½% county sales and use tax may also apply. For information on sales or purchases that are subject to the county sales and use tax, refer to the December 1992 issue of the *Sales and Use Tax Report*. A copy can be found on pages 45 to 48 of this Bulletin.

5 Ambulances and Rescue Vehicles Sold to Volunteer Fire Departments

Statutes: Section 77.54(9a) and (16), Wis. Stats. (1989-90)

Background: Section 77.54(9a)(b), Wis. Stats. (1989-90), provides an exemption from Wisconsin sales or use tax for gross receipts from sales of tangible personal property or taxable services to any county, city, village, town, or school district in Wisconsin.

Section 77.54(16), Wis. Stats. (1989-90), provides an exemption from Wisconsin sales or use tax for gross receipts from sales of fire trucks and fire fighting equipment, including accessories, attachments, parts, and supplies for the trucks and fire fighting equipment, sold to volunteer fire departments.

Under the Wisconsin statutes, volunteer fire departments can be organized in several different ways, including as part of a county, city, village, or town government or as an entity separate from a county, city, village, or town government except for the allocation of funds.

Question 1: Is the sale of an ambulance or rescue vehicle to a volunteer fire department that is part of a Wisconsin county, city, village, or town government subject to Wisconsin sales or use tax?

Answer 1: No. The sale to the volunteer fire department is exempt from Wisconsin sales or use tax under sec. 77.54(9a)(b), Wis. Stats. (1989-90), provided the governmental unit gives its purchase order to the seller indicating itself as the purchaser.

Question 2: Is the sale of an ambulance or rescue vehicle to a volunteer fire department that is not part of a Wisconsin county, city, village, or town government subject to Wisconsin sales or use tax?

Answer 2: No. The sale to the volunteer fire department is exempt from Wisconsin sales or use tax under sec. 77.54(16), Wis. Stats. (1989-90), provided the volunteer fire department gives the seller a properly completed exemption certificate (Form S-207, Certificate of Exemption). An ambulance or rescue vehicle sold to a volunteer fire department qualifies as fire fighting equipment for purposes of the exemption. □

6 Application of Use Tax As a Result of *Morton Buildings, Inc.* Decision

Statutes: Section 77.51(19), Wis. Stats. (1989-90), repealed by 1991 Wisconsin Act 39, and secs. 77.51(18) and (22), 77.53(1), and 77.57, Wis. Stats. (1991-92)

Note: This tax release applies to all periods open to adjustment under sec. 77.59, Wis. Stats. (1991-92), except as noted in the tax release.

Background: Section 77.53(1), Wis. Stats. (1991-92), provides that a 5% use tax is imposed on the storage, use, or other consumption in Wisconsin of tangible personal property or taxable services purchased from any retailer.

“Use” is defined in sec. 77.51(22), Wis. Stats. (1991-92), as the exercise of any right or power over tangible personal property or taxable services incident to the ownership, possession or enjoyment of the property or services, or the results produced by the services, including installation or affixation to real property. Prior to October 1, 1991, storage and use for purposes of imposing Wisconsin use tax did not include the keeping, retaining, or exercising any right or power over tangible personal property for the purposes of subsequently transporting it outside Wisconsin for use thereafter solely outside Wisconsin, or for the purpose of being processed, fabricated, or manufactured into, attached to, or incorporated into other property to be transported outside Wisconsin and thereafter used solely outside Wisconsin (sec. 77.51(19), Wis. Stats. (1989-90), repealed by 1991 Wisconsin Act 39).

In a decision dated February 10, 1992, the Circuit Court of Dane County held in the case of *Morton Buildings, Inc. vs. Wisconsin Department of Revenue* that raw materials purchased without Wisconsin sales or use tax that were used to manufacture, fabricate, or otherwise alter tangible personal property outside Wisconsin were not subject to Wisconsin use tax even though the tangible personal property resulting from the manufacturing, fabricating, or altering of the raw materials was subsequently stored, used, or consumed in Wisconsin. The Court stated that the imposition of Wisconsin use tax under sec. 77.53(1), Wis. Stats. (1991-92), did not apply to the raw materials because:

- A. The raw materials Morton purchased were used and consumed outside Wisconsin when they were produced into building components, and
- B. Morton did not purchase the building components that were used in Wisconsin from a retailer.

The Court stated that raw materials lose their identity as raw materials as soon as they are nailed, bent, reinforced, rolled, glued, laminated, etc.

The department did not appeal the Circuit Court's decision in *Morton Buildings, Inc.*

Section 77.57, Wis. Stats. (1991-92), provides that if a purchaser certifies in writing to a seller that the property purchased will be used in a manner or for a purpose entitling the seller to regard the gross receipts from the sale as exempted from Wisconsin sales or use tax, and uses the property in some other manner or for some other purpose, the purchaser is liable for payment of the sales tax.

Effect of the *Morton* Decision

Question 1: How does the *Morton* decision apply for purposes of imposing Wisconsin use tax?

Answer 1: The following conditions must exist for the *Morton* decision to apply, in which case use tax is not imposed on the raw materials.

- A. The item purchased must be a raw material.

"Raw material" is defined in *Webster's Ninth New Collegiate Dictionary* as a crude or processed material that can be converted by manufacture, processing, or combinations into a new and useful product.

- B. The item purchased had to have been purchased outside Wisconsin without Wisconsin sales or use tax.
- C. The raw materials, prior to any storage, use, or consumption in Wisconsin, are used to manufacture tangible personal property outside Wisconsin or are processed or otherwise altered outside Wisconsin resulting in a different and distinct item of tangible personal property from the constituent raw material.

The following examples illustrate the application of the *Morton* decision as stated in Answer 1.

Example 1: Company A, located in Minnesota, has its own print shop. Company A has nexus in Wisconsin. All paper and ink used by Company A to print parts lists are transferred from a supplier to Company A in Minnesota. No Wisconsin or Minnesota sales or use tax is paid on the paper and ink transferred from the supplier to Company A. After printing, the parts lists are mailed by Company A to its customers in Wisconsin.

Under the *Morton* decision, the paper and ink used to print the advertising brochures that are mailed to Wisconsin are not subject to Wisconsin use tax.

Example 2: Company B, a manufacturer of office furniture, is headquartered in Wisconsin. Company B has 10 desks, which were manufactured in its plant in Texas, delivered to its headquarters in Wisconsin for use by its employees. The raw materials (e.g., steel, laminate, etc.) used to manufacture the desks were transferred by suppliers to Company B outside Wisconsin.

Under the *Morton* decision, the raw materials used to manufacture the desks that are used by Company B in Wisconsin are not subject to Wisconsin use tax.

Example 3: Company C, located in Michigan, manufactures automobiles. Employees of Company C who are located in Wisconsin are provided, for business use, automobiles manufactured by Company C. The raw materials (e.g., tires, engines, steel, etc.) used in manufacturing these automobiles were transferred from suppliers to Company C in Michigan.

Under the *Morton* decision, the raw materials used to manufacture automobiles that are used by Company C employees in Wisconsin are not subject to Wisconsin use tax.

Example 4: Company D, located in Illinois, is a producer of modular homes. Raw materials (lumber, trusses,

hardware, etc.) used to produce its modular homes were transferred from suppliers to Company D in Illinois without Wisconsin or Illinois sales or use tax. The modular homes are produced in Illinois. Company D erects the modular homes in Wisconsin.

Under the *Morton* decision, the raw materials used by Company D to produce the modular homes which are erected in Wisconsin are not subject to Wisconsin use tax.

Example 5: Company E is an asphalt contractor located in Iowa. Raw materials used in manufacturing asphalt outside Wisconsin are transferred from suppliers to Company E outside Wisconsin without sales or use tax. Company E uses the asphalt in road construction in Wisconsin.

Under the *Morton* decision, the raw materials used by Company E to manufacture asphalt are not subject to Wisconsin use tax.

Example 6: Company F, located in Illinois, sells and erects silos in Wisconsin. Steel rods, used in erecting the silos, are bent at Company F's plant located in Illinois. The rods are transferred from suppliers to Company F outside Wisconsin without sales or use tax.

Under the *Morton* decision, the rods bent by Company F outside Wisconsin and used in real property construction in Wisconsin are not subject to Wisconsin use tax.

Example 7: Company G, located in and outside Wisconsin, is a manufacturer of building components. Company G may use building components in real property construction or may sell them to other contractors for use in real property construction. Raw materials used in manufacturing the building components are transferred from suppliers to Company G in Wisconsin without Wisconsin sales or use tax by Company G giving its suppliers properly completed manufacturer's exemption certificates. The raw materials are manufactured into building components in Illinois. Some of the building components are subsequently used in real property construction in Wisconsin.

The raw materials used by Company G to manufacture building components outside Wisconsin and which are used in real property construction in Wisconsin are subject to Wisconsin tax under sec. 77.57, Wis. Stats. (1991-92). The *Morton* decision does not apply. The raw materials were transferred to Company G in Wisconsin without sales tax as property to be consumed in the manufacture of tangible personal property for sale. Since the manufactured item was consumed by Company G in its real

property construction activities, Company G is liable for tax on the raw materials.

Example 8: Company H, located in Wisconsin and Illinois, is a manufacturer of building components. Company H uses the building components *solely* in real property construction. Raw materials used in manufacturing the building components are transferred from suppliers to Company H in Wisconsin without Wisconsin sales or use tax by Company H giving its suppliers manufacturer's exemption certificates. The raw materials are manufactured into building components in Illinois. Some of the building components are subsequently used in real property construction in Wisconsin.

All raw materials used by Company H to manufacture building components which are used in its real property construction in and outside Wisconsin are subject to Wisconsin tax under sec. 77.57, Wis. Stats. (1991-92). The *Morton* decision does not apply because the manufacturer's exemption certificates given were not proper if the contractor knew at the time the raw materials were transferred to it that they would be used in its real property construction activities.

Question 2: Does the *Morton* decision have any effect on raw materials that are purchased without Wisconsin sales or use tax and are used in the manufacture, fabrication, or alteration of tangible personal property in Wisconsin?

Answer 2: No. The *Morton* decision does not apply to any raw materials used in the manufacture of tangible personal property in Wisconsin or raw materials processed or otherwise altered in Wisconsin resulting in a different and distinct item of tangible personal property which is stored, used, or consumed in Wisconsin.

The definitions of use and storage as provided in sec. 77.51(18) and (22), Wis. Stats. (1991-92), applies for purposes of imposing Wisconsin use tax under sec. 77.53(1), Wis. Stats. (1991-92). Therefore, if the raw materials are manufactured, processed, or altered in Wisconsin, even though subsequently shipped outside Wisconsin, the raw materials are subject to Wisconsin use tax. (Exception: Prior to October 1, 1991, the raw materials are not subject to Wisconsin use tax if they will subsequently be shipped outside Wisconsin for use outside Wisconsin.)

The following examples illustrate the application of Wisconsin use tax as stated in Answer 2.

Example 1: Company J, located in Wisconsin, has its own print shop. All paper and ink used to print parts lists are

transferred from suppliers to Company J in Minnesota without Wisconsin or Minnesota sales or use tax. The ink and paper are shipped into Wisconsin by Company J. After printing in Wisconsin, the parts lists are mailed by Company J to its customers in Minnesota.

Effective October 1, 1991, the paper and ink used to print the parts lists are subject to Wisconsin use tax. The exemption for items consumed or destroyed in manufacturing tangible personal property under sec. 77.54(2), Wis. Stats. (1991-92), does not apply to the ink and paper because the parts lists are not destined for sale.

Prior to October 1, 1991, the paper and ink were not subject to Wisconsin use tax because sec. 77.51(19), Wis. Stats. (1989-90), repealed by 1991 Wisconsin Act 39, provided that storage and use do not include keeping, retaining, or exercising any right or power over tangible personal property for purposes of subsequently transporting it outside Wisconsin for use solely outside Wisconsin.

Example 2: Company K, located in Wisconsin, is a producer of modular homes. Raw materials used to produce its modular homes are transferred from suppliers to Company K outside Wisconsin without sales or use tax. The raw materials are shipped to Company K's Wisconsin plant where the modular homes are produced. Company K erects the modular homes on a customer's foundation outside Wisconsin.

Effective October 1, 1991, the materials used by Company K to produce the modular homes which are erected outside Wisconsin are subject to Wisconsin use tax because they are stored, used, or consumed in Wisconsin as defined in sec. 77.51(18) and (22), Wis. Stats. (1991-92). The exemption under sec. 77.54(2), Wis. Stats. (1991-92), does not apply to the raw materials because the modular homes are not tangible personal property destined for sale.

Prior to October 1, 1991, the materials are not subject to Wisconsin use tax because of sec. 77.51(19), Wis. Stats. (1989-90) (as explained in Example 1, above).

Note: See the tax release titled "Effective Date of Imposition of Use Tax on Items Stored in Wisconsin and Subsequently Shipped Outside Wisconsin" in *Wisconsin Tax Bulletin 76* (April 1992), page 12, for more information about the application of the revisions to sec. 77.51(18) and (19), Wis. Stats. (1989-90), by 1991 Wisconsin Act 39. □

7 Common or Contract Carrier Exemption for Limousines

Statutes: Section 77.54(5)(b), Wis. Stats. (1989-90)

Wis. Adm. Code: Section Tax 11.16, June 1991 Register

Background: Section 77.54(5)(b), Wis. Stats. (1989-90), provides an exemption from Wisconsin sales or use tax for gross receipts from the sale of motor trucks, truck tractors, road tractors, buses, trailers, and semitrailers, and accessories, attachments, parts, supplies, and materials therefor, sold to common or contract carriers who use such items exclusively as common or contract carriers.

Section Tax 11.16(1)(d), Wis. Adm. Code, provides that the exemption under sec. 77.54(5)(b), Wis. Stats. (1989-90), does not apply to:

- A. Automobiles as defined in sec. 340.01(4), Wis. Stats. (1989-90), except an automobile registered as a truck. This includes a motor vehicle designed and used primarily for carrying persons but which does not come within the definition of a motor bus, motorcycle, moped, or motor bicycle.
- B. Station wagons as defined in sec. 340.01(61), Wis. Stats. (1989-90).
- C. Self-propelled vehicles for off-highway use, such as road machinery, fork lifts, and other industrial trucks.

Facts and Question: Company ABC is a limousine service that transports people to their required destinations for a fee. Company ABC holds a Licensed Carrier (LC) number issued by the Wisconsin Department of Transportation.

May Company ABC purchase its limousines without Wisconsin sales or use tax under sec. 77.54(5)(b), Wis. Stats. (1989-90)?

Answer: No. The exemption in sec. 77.54(5)(b), Wis. Stats. (1989-90), does not apply to limousines because they are not motor trucks, truck tractors, road tractors, buses, trailers, or semitrailers, but rather, are automobiles as defined in sec. 340.01(4), Wis. Stats. (1989-90).

The fact that Company ABC holds an LC number does not in itself allow for exemption under sec. 77.54(5)(b), Wis. Stats. (1989-90). □

8 Exemption for Custom-Made Wigs and Hairpieces

Statutes: Section 77.54(22)(a) and (b), Wis. Stats. (1989-90)

Wis. Adm. Code: Section Tax 11.08, March 1991 Register

Background: Section 77.54(22)(a), Wis. Stats. (1989-90), provides that gross receipts from the sale of artificial devices are exempt from Wisconsin sales or use tax if all of the following conditions are met:

- A. The item is individually designed, constructed, or altered.
- B. The item is solely for the use of a particular physically disabled person.
- C. The item becomes a brace, support, supplement, correction, or substitute for the bodily structure.

Section 77.54(22)(b), Wis. Stats. (1989-90), provides an exemption for the gross receipts from the sale of artificial limbs, artificial eyes, hearing aids, and other equipment worn as a correction or substitute for any functioning portion of the body.

In *Black's Law Dictionary*, Fourth Edition, "physical disability" is defined as a disability or incapacity caused by physical defect or infirmity, or bodily imperfection, or mental weakness or alienation.

Facts and Question 1: Company A sells wigs and hairpieces to customers who are undergoing chemotherapy or who have a disease known as Alopecia Areatata, which causes hair loss. Upon being presented with a prescription from a doctor, the customer's head is measured and hair color is matched. This information is sent to a manufacturer who custom manufactures the wig or hairpiece for the customer.

Are the sales of these wigs or hairpieces exempt from Wisconsin sales or use tax?

Answer 1: Yes. The sales of these wigs or hairpieces meet the three conditions in sec. 77.54(22)(a), Wis. Stats. (1989-90), and are thus exempt from the Wisconsin sales or use tax. The wigs or hairpieces are custom-made for a particular person based on head measurements and hair color; a person who has hair loss due to chemotherapy or Alopecia Areatata is within the definition of a physically disabled person; and the wigs or hairpieces are a substitute for a bodily structure (i.e. hair).

Facts and Question 2: Assume the same facts as in Facts and Question 1 except that the wig or hairpiece is not

individually designed, constructed, or altered for a particular person.

Are the sales of these wigs or hairpieces exempt from Wisconsin sales or use tax?

Answer 2: No. Neither the exemption under sec. 77.54(22)(a) nor the exemption under sec. 77.54(22)(b) applies. Since the wig or hairpiece is not individually designed, constructed, or altered for a particular person, the exemption under sec. 77.54(22)(a), Wis. Stats. (1989-90) does not apply. Section Tax 11.08(2)(a), Wis. Adm. Code, provides that the exemption under sec. 77.54(22)(b), Wis. Stats. (1989-90), does not apply to wigs or hairpieces. □

9 Sales of Building Materials to Exempt Entities by Supplier Who Is the Subcontractor

Statutes: Sections 77.51(2) and (14)(g) and (i) and 77.54(9a), Wis. Stats. (1989-90)

Wis. Adm. Code: Section Tax 11.04(4), January 1979 Register

Background: In the decision of *Rice Insulation, Inc. v. Wisconsin Department of Revenue*, dated October 10, 1983, the Court of Appeals, District IV, held that a subcontractor who sold insulation to an exempt entity without Wisconsin sales tax and who installed the insulation under a contract with a general contractor was the consumer of the insulation used in real property construction, and the sale of the insulation to the subcontractor was subject to Wisconsin sales or use tax.

Section Tax 11.04(4), Wis. Adm. Code, further provides that a supplier, who is also the contractor who uses the building materials in the construction of buildings or structures, or the alteration, repair, or improvement of real property, for an exempt entity, is the consumer of the building materials, not the seller of personal property to the exempt entity. The sale of the building materials to the supplier/contractor is subject to Wisconsin sales or use tax.

"Exempt entity" includes the following:

- A. The State of Wisconsin or any agency thereof.
- B. Any Wisconsin county, city, village, town, or school district.

- C. A county-city hospital established under sec. 66.47, Wis. Stats.
- D. A sewerage commission organized under sec. 144.07(4), Wis. Stats., or a metropolitan sewerage district organized under secs. 66.20 to 66.26 or 66.88 to 66.918, Wis. Stats.
- E. Any other unit of government in Wisconsin or any agency or instrumentality of one or more units of government in Wisconsin.
- F. Any corporation, community chest fund, foundation, or association organized and operated exclusively for religious, charitable, scientific, or educational purposes, or for the prevention of cruelty to children or animals (except hospital service insurance corporations under sec. 613.80(2)), no part of the net income of which inures to the benefit of any private stockholder, shareholder, member, or corporation.

Facts and Question: Company ABC, a general contractor, enters into a construction contract with an exempt entity to construct a building.

Information regarding the contract is as follows:

- The contract price is \$500,000, which includes all materials, except electrical materials, and all labor.
- The exempt entity purchases the electrical materials directly from a supplier recommended by Company ABC using its own purchase order and paying with its own funds.
- The exempt entity purchases the electrical materials from Company XYZ (supplier) for \$20,000.
- Company XYZ purchased the electrical materials without Wisconsin sales or use tax by giving its supplier a properly completed resale certificate. Company XYZ paid \$17,000 for the materials.
- Company ABC (general contractor) hires Company XYZ as a subcontractor to do the electrical work for \$50,000.

What are the Wisconsin sales or use tax implications of these transactions?

Answer: Under sec. Tax 11.04(4), Wis. Adm. Code, the sale of the electrical materials from the supplier to Company XYZ (supplier/contractor) is a retail sale subject to

Wisconsin sales or use tax. Therefore, Company XYZ is subject to Wisconsin use tax on the \$17,000 it paid for the electrical materials.

The transfer of electrical materials by Company XYZ to the exempt entity for \$20,000 is not a retail sale for purposes of Wisconsin sales or use tax.

Although Company XYZ may not charge Wisconsin sales or use tax on the transfer of the electrical materials to the exempt entity, Company XYZ may pass on the use tax it is required to pay on those materials as part of the selling price of the materials to the exempt entity.

The \$50,000 charge by Company XYZ to Company ABC for the electrical work it provides as a subcontractor is not subject to Wisconsin sales or use tax because Company XYZ is performing a real property improvement.

The \$500,000 charge by Company ABC to the exempt entity for constructing the building is not subject to Wisconsin sales or use tax because Company ABC is performing a real property improvement.

Company ABC is subject to Wisconsin sales or use tax on its purchase of materials used in constructing the building for the exempt entity.

10 Sludge Trucks Used at Industrial Waste Treatment Facility

Statutes: Section 77.54(26), Wis. Stats. (1989-90)

Wis. Adm. Code: Section Tax 11.11, June 1991 Register

Background: Section 77.54(26), Wis. Stats. (1989-90), provides an exemption from Wisconsin sales or use tax for gross receipts from sales of and the storage, use, or other consumption of tangible personal property which becomes a component part of an industrial waste treatment facility that is exempt under sec. 70.11(21)(a), Wis. Stats. (1989-90), or that would be exempt under sec. 70.11(21)(a), Wis. Stats. (1989-90), if the property were taxable under ch. 70, Wis. Stats. (1989-90).

Section Tax 11.11(2)(a), Wis. Adm. Code, provides that when any plant or equipment has been approved as exempt from the property tax, the sales and use tax exemption under sec. 77.54(26), Wis. Stats. (1989-90), applies.

In the case of *Fort Howard Paper Company v. Wisconsin Department of Revenue* (Docket No. S-9687, 4/29/88), the

Wisconsin Tax Appeals Commission held that trucks used exclusively to haul treated sludge from a waste treatment facility to a landfill five miles away were exempt as component parts of the exempt facility under sec. 77.54(26), Wis. Stats. (1989-90). The waste treatment facility and landfill had been approved by the Department of Revenue's Property Tax Bureau as exempt from property taxes. The Department of Revenue filed a notice of nonacquiescence with respect to this decision.

Facts and Question: Company ABC is a manufacturer. Company ABC constructed and operates a waste treatment facility and landfill to handle the waste from its manufacturing operations.

Company ABC purchased a dump truck that is used exclusively by Company ABC to haul waste materials (e.g., sludge, bark, dirt) from its waste treatment facility to its landfill. The dump truck is used as an integral part of Company ABC's landfill operations. The waste treatment facility and landfill have been approved by the De-

partment of Revenue's Property Tax Bureau as exempt from property taxation.

The Department of Revenue's Property Tax Bureau has granted approval of the dump truck as exempt from property tax under sec. 70.11(21)(a), Wis. Stats. (1989-90), if it had been subject to property tax.

Is the sale of the dump truck to Company ABC subject to Wisconsin sales or use tax?

Answer: No. Due to the approval of the dump truck as a part of a waste treatment facility by the Property Tax Bureau, the dump truck must be considered exempt for Wisconsin sales and use tax purposes as a component part of a waste treatment facility under sec. 77.54(26), Wis. Stats. (1989-90).

(Note: The Department of Revenue's nonacquiescence in the *Fort Howard* case does not affect this answer.) □



Private Letter Rulings

"Private letter rulings" are written statements issued to a taxpayer by the department that interpret Wisconsin tax laws to the taxpayer's specific set of facts. Any taxpayer may rely upon the ruling to the same extent as the requestor, provided the facts are the same as those set forth in the ruling.

The number assigned to each ruling is interpreted as follows: The "W" is for "Wisconsin," the first two digits are the year the ruling becomes available for publication (80 days after the ruling is issued to the taxpayer), the next two digits are the week of the year, and the last three digits are the number in the series of rulings issued that year. The date following the 7-digit number is the date the ruling was mailed to the requestor.

Certain information contained in the ruling that could identify the taxpayer requesting the ruling has been deleted. Wisconsin Publication 111, "How to Get a Private Letter Ruling From the Wisconsin Department of Revenue," contains additional information about private letter rulings.

The following private letter ruling is included:

Sales and Use Taxes
Service enterprises — satellite
antenna removal, site surveys
W9241012, July 16, 1992
(p. 39)

✱ W9241012, July 16, 1992

Type Tax: Sales and Use

Issue: Service enterprises — satellite antenna removal, site surveys

Statutes: Sections 77.51(15)(c)2 and 77.51(2)(a)10, Wis. Stats. (1989-90)

This letter responds to your request for a private letter ruling regarding the Wisconsin sales and use tax implications of providing satellite antenna services.

Facts

As a local subcontractor, XYZ Corporation provides the following services:

1. Removal of satellite antennas and electronics, including satellite receivers and computers; repossessions.
2. Site surveys; driving to site to obtain information on cable length, antenna placement, build-