



State of Wisconsin • DEPARTMENT OF REVENUE

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October 19, 2015

CRAIG JOHNSON EXECUTIVE DIRECTOR
STREAMLINED SALES TAX GOVERNING BOARD
100 MAJESTIC DR STE 400
WESTBY WI 54667

Dear Mr. Johnson:

This letter is in response to the initial report for the "Annual Streamlined Compliance Review" with regards to Wisconsin's compliance with the Streamlined Sales and Use Tax Agreement. The comment in the report refers to an issue with Wisconsin's county and stadium tax sourcing for single payment leases of motor vehicles.

Per the Agreement, all state and local taxes on a one-payment lease of motor vehicles, boats, recreational vehicles, and aircraft are required to be sourced to the location where the customer receives the item. Wisconsin correctly sources a one-payment lease of these items for state tax to the location where the customer receives the motor vehicle, boat, recreational vehicle, and aircraft. However, the county and stadium taxes are sourced to the location where the motor vehicle, boat, recreational vehicle, and aircraft is customarily kept.

The county and stadium tax sourcing provisions for these items have been in Wisconsin's law since becoming a full member state on October 1, 2009. At this time, we expect legislation to correct this sourcing issue, but the change has not yet been enacted into law.

If you have any questions or concerns regarding this, please contact me at (608) 266-6798 or via email at diane.hardt@revenue.wi.gov or David Steines, Revenue Tax Specialist, at (715) 247-4919 or via email at david.steines@revenue.wi.gov.

Sincerely,

A handwritten signature in cursive script that reads "Diane L. Hardt".

Diane L. Hardt, Administrator
Division of Income, Sales & Excise Taxes