

## Use Tax Information For Individuals

*If you buy a taxable item but do not pay Wisconsin sales tax . . .*

*. . . you may owe Wisconsin use tax*

### What is use tax?

Use tax is the counterpart of sales tax. Use tax applies when Wisconsin state, county, or baseball or football stadium tax is not charged and no exemption applies. If you make purchases from retailers who do not collect Wisconsin sales tax or if you bring taxable items into Wisconsin from other states or from foreign countries, you owe use tax.

The Wisconsin state use tax rate is 5.0%, the same rate as the state sales tax.

The local use tax rate for county tax purposes is 0.5%, the same rate as the county sales tax.

The local use tax rate for the baseball stadium district is 0.1%, the same rate as the baseball stadium sales tax. The baseball stadium district is comprised of the combined geographic area of Milwaukee, Ozaukee, Racine, Washington, and Waukesha Counties.

The local use tax rate for the football stadium district is 0.5%, the same rate as the football stadium district sales tax. The football stadium district is comprised of the geographic area of Brown County.

If the items purchased are stored, used, or consumed in a county that has a county sales and use tax or in the baseball or football stadium district, the applicable county and/or stadium district use tax is due, unless you first take possession of the item in a county that does not have a county sales and use tax and is also not in either the baseball or football stadium district. **(Exceptions:** Purchases of motor vehicles, boats, recreational vehicles as defined in sec. 340.01(48r), and aircraft, are taxed for county and stadium district tax purposes based on the county in which the item is customarily kept. Purchases of snowmobiles, trailers, semitrailers, and all-terrain vehicles are subject to county or baseball or football stadium district use tax when first stored, used, or consumed in a county that has a county tax or is part of the baseball or football stadium district, even if the purchaser first takes possession of the item in a Wisconsin county that does not have a county tax and is not within either the baseball or football stadium districts.)

**Credit for Tax Paid in Another State:** If tax was properly paid in another state on the purchase of the property, the amount of Wisconsin state, county, and/or stadium use tax due may be offset by the tax paid in the other state. Additional information about credits for taxes paid in other states is available in [Wisconsin Tax Bulletin # 157 at page 28](#), in a tax release titled: *Credit for Sales and Use Taxes Paid to Other States and Their Local Units of Government*. Foreign taxes and customs duty charges are not eligible for this credit.

### Why is there a use tax?

Use tax protects in-state businesses from unfair competition. When sales or use tax is not collected on taxable purchases used in your community, local businesses are operating at a competitive disadvantage.

### Why don't all out-of-state businesses collect use tax?

If an out-of-state retail business has a physical presence (such as a store or warehouse) in Wisconsin, it is required by law to register and collect Wisconsin tax. However, mail order and Internet companies and others who advertise in Wisconsin, but do not have a physical presence in Wisconsin, may not be required to register and collect Wisconsin tax. Some out-of-state businesses, however, voluntarily collect use tax as a courtesy to their customers.

### What is taxable?

Sales, licenses, leases, and rentals of the following property, items, and goods are subject to Wisconsin state, county, and stadium district sales and use taxes:

- A. Tangible personal property;
- B. Coins or stamps of the United States that are sold, licensed, leased, rented, or traded as collector's items above their face value;
- C. Leased tangible personal property that is affixed to real property, if the lessor has the right to re-

move the leased property upon breach or termination of the lease agreement, unless the lessor of the leased property is also the lessor of the real property to which the leased property is affixed;

- D. Specified digital goods, additional digital goods, and digital codes. These goods are characterized by the fact that they are transferred electronically to the purchaser (i.e., accessed or obtained by the purchaser by means other than tangible storage media). "Specified digital goods" means "digital audio works," "digital audiovisual works," and "digital books." "Additional digital goods" means greeting cards, finished artwork, periodicals, video or electronic games, and newspapers or other news or information products. See [Publication 240](#) for a description of the products that are included.

Use tax applies to, but is not limited to, mail-order catalog and television shopping or auctions, toll-free "800" purchases, and to purchases made over the Internet.

For example, you owe Wisconsin use tax if:

- You bought cameras, sporting goods, or clothes over the Internet and no Wisconsin sales tax was charged.
- You purchased prewritten computer software that was shipped to you on a CD and no Wisconsin sales tax was charged.
- You purchased prewritten computer software which you obtained by downloading it over the Internet, and no Wisconsin sales tax was charged.
- You bought furniture or appliances from a store across the Wisconsin border and that other state's sales tax imposed was less than the Wisconsin sales tax.
- You bought CDs or books through an out-of-state catalog and no Wisconsin sales tax was charged.

- You bought clothes, jewelry, or artworks while traveling in another state, had it shipped home, and no Wisconsin sales tax was charged.
- You purchased music or videos which you accessed or obtained by downloading the item electronically over the Internet, and no Wisconsin sales tax was charged.

Use tax applies to the total purchase price you pay to the seller for taxable items, including shipping and handling charges.

### How do you pay use tax?

As an individual consumer, you have two options for paying Wisconsin use tax.

1. You can pay use tax on your Wisconsin income tax return (Form 1, 1A, WI-Z, or 1NPR). A special line titled "Sales and use tax due on out-of-state purchases" is on Wisconsin income tax returns to allow you to report your annual use tax liability, or
2. You can report and pay use tax quarterly on the Wisconsin Form UT-5, Consumer Use Tax Return, which is a part of this publication.

*Note to Businesses:* If you have (or are required to have) a Wisconsin Seller's Permit or Use Tax Certificate, you should report your use tax obligations in accordance with the instructions for the sales and use tax returns you file with the Department of Revenue. Publication 201, *Wisconsin Sales and Use Tax Information*, contains more information for businesses.

### What if you don't pay the use tax you owe?

If you don't pay the use tax you owe, you may be subject to interest and penalties in addition to the use tax.

The department, through audits of businesses and agreements with other states, makes an effort to ensure that use tax owed by individuals on out-of-state purchases is remitted to the department.

### Any questions?

Write to the department in Madison or call or visit your nearest Department of Revenue office.

Write: Wisconsin Department of Revenue  
Mail Stop 5-77  
P.O. Box 8902  
Madison, WI 53708-8902  
Telephone: (608) 266-2776  
Fax: (608) 267-1030  
E-mail: [sales10@revenue.wi.gov](mailto:sales10@revenue.wi.gov)  
Web site: [www.revenue.wi.gov](http://www.revenue.wi.gov)

The Department of Revenue uses a free Telecommunications Relay Service for those individuals who are deaf, hard-of-hearing, deaf-blind and speech disabled. To use the relay service to reach us, please dial "711" or visit [Wisconsin Relay](#) at <http://www.wisconsinrelay.com> for more information.

**Use BLACK INK Only**

Tax Account Number	Period Begin Date (MM DD YYYY)	Period End Date (MM DD YYYY)
Name		
Address (number and street)		
City	State	Zip Code

Social Security Number
Federal Employer Identification No.



**Part A Computation of Use Tax**

	Purchases	Tax Rate	Tax (Purchases x Tax Rate)
1 Purchases subject to 5% state use tax . . . . .	1a	x .05 =	1b
2 Purchases subject to 0.5% county use tax (from line 11) . .	2a	x .005 =	2b
3 Purchases subject to 0.1% baseball stadium use tax . . . .	3a	x .001 =	3b
4 Purchases subject to 0.5% football stadium use tax . . . .	4a	x .005 =	4b
5 Total use tax (add lines 1b, 2b, 3b, and 4b) . . . . .			5
6 Credit for state and/or local sales or use tax paid to another state on purchases included on lines 1a-4a. See line 6 instructions on next page . . . . .			6
7 Net use tax (line 5 minus line 6) . . . . .			7
8 Interest and penalty (see instructions on the back of the return) . . . . .			8
9 <b>Total Amount Due</b> (add lines 7 and 8) . . . . .			9

**Part B County Information for Purchases Subject to County Use Tax**

10 Enter the county name, code and purchases which are subject to that county's 0.5% county use tax.

**NOTE**  
To report county use tax for more than 6 counties, leave lines 10a-10f blank, and complete and enclose Schedule CT. To obtain a Sch. CT, call (608) 266-1961 or go to [www.revenue.wi.gov](http://www.revenue.wi.gov)

	County Name (first 5 letters)	County Code	Purchases
10a			
10b			
10c			
10d			
10e			
10f			

11 **Total County Purchases** . . . 11  
 • Add lines 10a through 10f  
 • Enter line 11 total on line 2a

**Mail to:**

Wisconsin Department of Revenue  
 PO Box 8946  
 Madison WI 53708-8946

I hereby certify that this return, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct, and complete return.

Contact Name (please print clearly)	Signature	Phone Number	Date
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# Instructions for Consumer Use Tax Return

The state, county, and baseball and football stadium use taxes are payable directly to the state by the purchaser (consumer) when tangible personal property or taxable services are purchased from a retailer who is not authorized to collect the 5% Wisconsin, 0.5% county, 0.1% baseball stadium, or 0.5% football stadium sales and use tax and are stored, used, or consumed in Wisconsin. This form should be used to report the tax due.

This form should **not** be used by persons who hold a Wisconsin seller's permit, use tax certificate, or consumer's use tax certificate. These registrants should report their use tax due on the sales and use tax return (Form ST-12).

This return is due by the last day of the month following the calendar quarter in which the items listed on this return were first purchased and used, stored, or consumed in Wisconsin.

## Part A. Computation of Use Tax (selected lines)

**Line 1. Purchases Subject to 5% State Use Tax** – Enter the total purchase price of items purchased and stored, used, or consumed in Wisconsin on which you did not pay Wisconsin sales or use tax.

**Line 3. Purchases Subject to 0.1% Baseball Stadium Use Tax** – Enter your total purchases of taxable tangible personal property or taxable services which were used, stored, or consumed in Milwaukee, Ozaukee, Racine, Washington, or Waukesha County and upon which the 0.1% baseball stadium sales or use tax has not been paid, with the following exception.

**Exception:** If the item, other than construction materials and certain registered or titled items, was purchased in a county where the baseball stadium tax does not apply and later brought to a baseball stadium taxable county where it was used, stored, or consumed, the purchase is not subject to the baseball stadium use tax.

**Line 4. Purchases Subject to 0.5% Football Stadium Use Tax** – Enter your total purchases of taxable tangible personal

property or taxable services which were used, stored, or consumed in the football stadium district (Brown County) and upon which the 0.5% football stadium sales or use tax has not been paid, with the following exception.

**Exception:** If the item, other than construction materials and certain registered or titled items, was purchased in a county where the football stadium tax does not apply and later brought into Brown County where it was used, stored, or consumed, the purchase is not subject to the football stadium use tax.

**Line 6. Credit for Sales or Use Taxes Paid to Another State** – A credit may be taken for sales and use taxes paid to another state on the purchase of goods or services in that state to the same extent that the purchase was subject to Wisconsin tax. If the amount of tax paid to the other state exceeds Wisconsin use taxes due, you may only enter the amount of the appropriate Wisconsin tax.

**Examples:** Company A, located in Wisconsin, purchases equipment for \$10,000 in another state and pays that state's 4.5% sales tax (\$450). Company A brings the equipment to its office in Milwaukee County where the combined state, county, and baseball stadium district tax rate is 5.6%. Company A would report the Wisconsin tax due by entering the \$10,000 purchase on lines 1, 2, and 3, but may take credit for the tax paid to the other state by entering \$450 on line 6.

Company B, located in Wisconsin purchases equipment in another state for \$10,000 and pays that state's 6.5% sales tax (\$650). Company B brings the equipment to its office in Dane County where the combined state and county tax rate is 5.5%. Company B would report the Wisconsin tax due by entering \$10,000 on lines 1 and 2, but may take credit for the tax paid to the other state up to the same extent that Wisconsin would tax (5.5% of the \$10,000 purchase) by entering \$550 on line 6.

**NOTE:** When taking credit for tax paid to another state, attach copies of the bill(s) of sale or other verification of payment of tax to the other state and indicate the Wisconsin county where the property will be stored, used, or consumed.

**Line 8. Interest and Penalty** – If you do not file a return on time, you are subject to interest at the rate of 1.5% per month on the tax on line 7 from the due date to the date the return is filed. Include this amount on line 8.

In addition, late returns may be subject to (1) a \$20 late filing fee, and (2) a negligence penalty of 5% per month, up to a maximum 25%, of the tax on line 7. These penalties may be waived in the case of death of the person required to file the return, or if a reasonable explanation exists for the late filing. You will be notified if an additional amount is due.

**Line 9. Total Amount Due** – You may pay by check or money order made payable to the Wisconsin Department of Revenue.

## Part B. County Information for Purchases Subject to County Use Tax

**Lines 10a through 10f. Purchases Subject to 0.5% County Use Tax** – Complete Part B for purchases of taxable tangible personal property or taxable services which were stored, used, or consumed in a county that has adopted the 0.5% county sales and use tax and upon which a county sales or use tax has not been paid, with the following exception.

**Exception:** If the item, other than construction materials and certain registered or titled items, was purchased in a county that has not adopted the county tax and later brought to a taxable county where it was used, stored, or consumed, the purchase is not subject to the county use tax.

List the names and codes of the counties in which you made purchases subject to county use tax, upon which you did not pay county sales or use tax. The chart at the bottom of the page shows which counties, as of April 1, 2010, have the county sales and use tax in effect. **This list is subject to change.**

**Sign and Date Your Return** – Be sure to sign and date your return in the area provided in the bottom section of the return.

### County and County Codes Which Have the 0.5% County Tax

Adams ..... 01	Dodge ..... 14	Iowa ..... 25	Marathon ..... 37	Polk ..... 48	Taylor ..... 60
Ashland ..... 02	Door ..... 15	Iron ..... 26	Marinette ..... 38	Portage ..... 49	Trempealeau .. 61
Barron ..... 03	Douglas ..... 16	Jackson ..... 27	Marquette ..... 39	Price ..... 50	Vernon ..... 62
Bayfield ..... 04	Dunn ..... 17	Jefferson ..... 28	Milwaukee ..... 40	Richland ..... 52	Vilas ..... 63
Buffalo ..... 06	Eau Claire ..... 18	Juneau ..... 29	Monroe ..... 41	Rock ..... 53	Walworth ..... 64
Burnett ..... 07	Florence ..... 19	Kenosha ..... 30	Oconto ..... 42	Rusk ..... 54	Washburn ..... 65
Chippewa ..... 09	Fond du Lac .... 20	La Crosse ..... 32	Oneida ..... 43	St. Croix ..... 55	Washington .... 66
Clark ..... 10	Forest ..... 21	Lafayette ..... 33	Ozaukee ..... 45	Sauk ..... 56	Waupaca ..... 68
Columbia ..... 11	Grant ..... 22	Langlade ..... 34	Pepin ..... 46	Sawyer ..... 57	Waushara ..... 69
Crawford ..... 12	Green ..... 23	Lincoln ..... 35	Pierce ..... 47	Shawano ..... 58	Wood ..... 71
Dane ..... 13	Green Lake ..... 24				