



Minnesota
STATE COLLEGES
& UNIVERSITIES

June 3, 2004

Re: Wisconsin Sales/Use Tax

To: CFO's, Business & Bookstore Managers

Effective July 1, 2004, colleges and universities must collect Wisconsin sales/use tax on goods sold and shipped to Wisconsin. Wisconsin taxes sales of tangible personal property shipped to a Wisconsin address. Items not shipped to Wisconsin do not require the collection of Wisconsin tax. Continue to follow Minnesota sales tax law for application of tax on all other sales.

Bookstore/Online Bookstore Sales

Examples of items subject to tax: Online bookstore sales and shipment of Wisconsin taxable items to a Wisconsin address. **Textbooks, clothing and other tangible personal property sold and delivered to Wisconsin are subject to a 5% Wisconsin sales/use tax (even if under Minnesota sales tax law it would not be taxed).**

Note: If an item is physically purchased or delivered *in Minnesota* follow Minnesota sales tax law. For example, if a Wisconsin resident (or for that matter a resident of any state) purchases a textbook (and takes possession of said textbook) at a Minnesota campus bookstore in person then the bookstore would not collect tax because under Minnesota law the sale of textbooks are not subject to tax. Also, if an item is ordered online and physically picked up at a Minnesota campus bookstore – then follow Minnesota law on whether or not to collect sales tax on the item.

Non-bookstore sales

All business officers (even those who have outsourced bookstore operations) need to review campus operations for sales and shipment of goods to Wisconsin which potentially should be subject to the 5% Wisconsin tax.

Tax Services to File Wisconsin Sales/Use Tax Return

One Wisconsin sales/use tax return for the entire system will be filed quarterly by Tax Services at the Office of the Chancellor for the system. Campuses should collect and remit Wisconsin sales tax to Tax Services by the 10th of the month following each quarter end (for example, for the initial quarter of July, August, and September remit the tax to Tax Services by the 10th of October). Please see attached worksheets that must accompany each Wisconsin sales tax check.

Please call me at (651) 632-5016 with any questions.

Thank you for your prompt attention and cooperation in this matter.

Sincerely,
Steve Gednalske

OFFICE OF THE CHANCELLOR

300 ETC BUILDING
1450 ENERGY PARK DRIVE
ST. PAUL, MN 55108-5227

Tax Administrator, Office of the Chancellor