

State Procurement Manual

DOA-3449 N(R06/94) Formerly AD-P-12

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| Number PRO-D-31 |
| Effective 9-10-04 |
| Replaces NEW |
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| Section GENERAL POLICIES | Agencies Affected ALL |
| Title CERTIFICATION FOR COLLECTION OF SALES AND USE TAX | |

AUTHORITY: [Wis. Stats.](#) 16.70 (1b) (1e) (3e)
16.75 (10m)
77.51 (10)
77.66

SCOPE: - to establish policies and procedures for administration of Wisconsin’s law regarding collection of sales and use tax by vendors doing business with the state

- DEFINITIONS:
- I. “Control” means to own, directly or indirectly, more than 10% of the interest in or voting securities of a business.
 - II. “Affiliate” means a person, as defined in s. 77.51(10), that controls, is controlled by, or is under common control with another person, as defined in s. 77.51 (10).
 - III. “Person” includes any natural person, firm, partnership, limited liability company, joint venture, joint stock company, association, public or private corporation, the United States, the state, including any unit or division of the state, any county, city, village, town, municipal utility, municipal power district or other governmental unit, cooperative, estate, trust, receiver, personal representative, any other fiduciary, and any representative appointed by order of any court or otherwise acting on behalf of others. “Person” also includes the owner of a single-owner entity that is disregarded as a separate entity under Chapter 71.

POLICY: Regardless of dollar amount, the agency will not enter into any contract or order for the purchase of materials, supplies, equipment or contractual services with vendors or their affiliates who are not registered, collecting and remitting Wisconsin sales or use tax on sales of tangible personal property or taxable services in Wisconsin.

- CONTENT:
- I. The Department of Revenue (DOR) is responsible for verifying that vendors and their affiliates are in compliance with the tax law. DOR will certify a list of vendors that are not in compliance to the Department of Administration. These ineligible vendors will be listed in the Certification for Collection of Sales and Use Tax [Vendor Directory](#). Before doing business with a vendor, the agency will ensure that the vendor’s taxpayer identification number (TIN) does not appear in this directory.

Authorized:



Jane Pawasarat, Director
State Bureau of Procurement

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- II. If the agency determines that it has an existing contract with an ineligible contractor, the agency should either explain the law to the contractor and encourage registration to become an eligible contractor or else contact DOR (608/266-3969) to request assistance in obtaining the registration. If the contractor's status remains unchanged, the agency must terminate the contract. The agency may not withhold payment pending a change in the contractor's eligibility status.
- III. For a pending contract award with a vendor that is listed in the directory, the agency may advise the vendor to contact DOR to request a rush registration.
- IV. For questions, contact DOR Nexus Unit at 608/266-3969 or witaxlink@dor.state.wi.us. For additional information, see [DOR](#) and [DOA](#) Websites.

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