



## 2013 SENATE BILL 656

March 4, 2014 - Introduced by Senators LAZICH, GROTHMAN, HARSDORF and KEDZIE, cosponsored by Representatives THIESFELDT, SCHRAA, CRAIG, KUGLITSCH, KLEEFISCH, CZAJA, BROOKS, SPIROS, RIPP and JACQUE. Referred to Committee on Workforce Development, Forestry, Mining, and Revenue.

1     **AN ACT to create** 77.51 (10m) (b) 2m. of the statutes; **relating to:** defining  
2           prepared foods for purposes of imposing sales and use taxes.

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### *Analysis by the Legislative Reference Bureau*

Under current law, generally, the sale of food and food ingredients is exempt from the sales and use tax. The exemption, however, does not apply to candy, soft drinks, dietary supplements, and prepared food. Under current law, for sales and use tax purposes, prepared food does not include, among other things, two or more food ingredients that are mixed or combined by a retailer for sale as a single item sold unheated, and sold by volume or weight. Prepared food also does not include eggs, fish, meat, and poultry, and foods containing any of them in raw form, that requires cooking by the consumer, as recommended by the federal food and drug administration.

Under this bill, for sales and use tax purposes, prepared food also does not include two or more food ingredients mixed or combined by a retailer for sale as a single item, if one of the food ingredients is raw dough, the single item is sold in an unheated state, and if the consumer is required to cook the single item before consuming, as recommended by the retailer.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

