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## Questions and Answers Relating to the 1/2% Premier Resort Area Tax

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**1. Who may adopt the premier resort area tax?**

A city, village, town, or county may enact an ordinance or adopt a resolution declaring itself to be a premier resort area, if at least 40% of the equalized assessed value of the taxable property within such political subdivision is used by tourism-related retailers.

Exception – Certain municipalities are authorized, by state statute, to enact an ordinance or adopt a resolution declaring themselves premier resort areas even if the 40% threshold is not met. See sec. 66.1113(2)(e)-(j), Wis. Stats.

Note - A county or a municipality within that county, but not both, may impose the tax.

**2. When does the premier resort area tax become effective?**

A certified copy of the ordinance must be delivered to the Secretary of Revenue at least 120 days before the effective date. The effective date must be January 1, April 1, July 1, or October 1.

**3. Are there restrictions on the use of funds?**

Yes. The proceeds from the tax must be used for infrastructure expenses within the jurisdiction of the premier resort area.

Infrastructure expenses means the costs of purchasing, constructing, or improving parking lots; access ways; transportation facilities, including roads and bridges; sewer and water facilities; exposition center facilities used primarily for conventions, expositions, trade shows, musical or dramatic events, or other events involving educational, cultural, recreational, sporting, or commercial activities; parks, boat ramps, beaches, and other recreational facilities; fire fighting equipment; police vehicles; ambulances; and other equipment or materials dedicated to public safety or public works.

**4. How much revenue will a county or municipality receive from the premier resort area tax?**

A county or municipality receives 97% of the taxes reported minus the municipality's or county's portion of the retailers' discounts. Distributions are increased or decreased to reflect subsequent refunds, audit adjustments and all other adjustments of the taxes previously distributed.

**5. Which areas currently have the premier resort area tax?**

- City of Rhinelander, effective January 1, 2017
- Village of Stockholm, effective October 1, 2014
- City of Eagle River, effective October 1, 2006
- City of Bayfield, effective January 1, 2003
- City of Wisconsin Dells, effective July 1, 1998\*
- Village of Lake Delton, effective April 1, 1998\*

\* The current premier resort area tax rate for the City of Wisconsin Dells and the Village of Lake Delton is 1.25%

**6. What is the county or municipality's role after the tax is adopted?**

After the adopting the tax, the county or municipality will receive quarterly from the Department of Revenue (1) a distribution for the county or municipality's share of the premier resort tax revenue, and (2) a report showing the name of each person who reported the premier resort area tax for that particular county or municipality. This monthly report is confidential and can only be disclosed and made available to those persons authorized by the chair, president, or trustee of the area's governing body.

**7. Which sales are subject to the premier resort area tax?**

Sales subject to Wisconsin sales tax are also subject to the premier resort area tax if **both** of the following conditions are met:

1. The sale, license, lease, or rental takes place in a premier resort area
2. The seller is classified in the Standard Industrial Classification Manual, 1987 edition, under one of the SIC codes referenced in Publication 403, *Premier Resort Area Tax*.

**8. Which sellers are subject to the premier resort area tax?**

Businesses that are classified in the Standard Industrial Classification (SIC) Manual, 1987 edition, published by the U.S. Office of Management and Budget, under the SIC codes referenced in Publication 403.

**9. Will the department provide a listing of businesses located within a premier resort area along with corresponding SIC code?**

No. Each business determines its own SIC code. The department collects a North American Industry Classification System (NAICS) code from each business registration or tax return filed; however, Wisconsin law does not allow the sharing of information derived from such registrations or tax returns.

**10. How does a business determine its SIC code?**

A business determines its classification within a particular SIC code based on its primary business activity.

- The SIC manual, available online at <https://www.osha.gov/pls/imis/sicsearch.html>, offers a keyword search along with a detailed description of each SIC code.
- A tool to compare a current NAICS code to a 1987 SIC code is available at: <http://www.census.gov/eos/www/naics/concordances/concordances.html>

**11. How does a seller pay the premier resort area tax?**

If a seller is subject to the premier resort area tax, the seller must register with the department and report the tax on the premier resort area tax return. The premier resort area tax return may be filed and paid electronically using *My Tax Account*, the department's online filing system, at [revenue.wi.gov](http://revenue.wi.gov).

**12. Where can I find more information?**

- Premier resort area tax common questions at [revenue.wi.gov](http://revenue.wi.gov) (enter keyword "premier resort")
- Publication 403, *Premier Resort Area Tax*
- [Section 66.1113, Wis. Stats.](#) – Creating a premier resort area
- [Section 77.994, Wis. Stats.](#) – Administering premier resort area tax
- State and Local Sales and Use Tax Report (under *Sales Tax*, Table 6)  
<https://www.revenue.wi.gov/Pages/Report/s.aspx>- Sales tax collected by county and industry

**13. Any questions?**

If you have any questions relating to the premier resort area tax, please contact:

Wisconsin Department of Revenue  
Customer Service Bureau  
P.O. Box 8949  
Madison, WI 53708-8949  
[DORBusinessTax@wisconsin.gov](mailto:DORBusinessTax@wisconsin.gov)  
(608) 266-2776

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**Sellers subject to the premier resort area tax by SIC code:**

- 5311 — Department stores
- 5331 — Variety stores
- 5399 — Miscellaneous general merchandise stores
  
- 5441 — Candy, nut and confectionary stores
- 5451 — Dairy product stores
- 5461 — Retail bakeries
- 5499 — Miscellaneous food stores
  
- 5541 — Gasoline service stations
  
- 5611 — Men's and boys' clothing and accessory stores
- 5621 — Women's clothing stores
- 5632 — Women's accessory and specialty stores
- 5641 — Children's and infants' wear stores
- 5651 — Family clothing stores
- 5661 — Shoe stores
- 5699 — Miscellaneous apparel and accessory stores
  
- 5812 — Eating places
- 5813 — Drinking places
  
- 5912 — Drug stores and proprietary stores
- 5921 — Liquor stores
- 5941 — Sporting goods stores and bicycle shops
- 5942 — Bookstores
- 5943 — Stationery stores
- 5944 — Jewelry stores
- 5945 — Hobby, toy, and game shops
- 5946 — Camera and photographic supply stores
- 5947 — Gift, novelty and souvenir shops
- 5948 — Luggage and leather goods stores
- 5949 — Sewing, needlework, and piece goods stores
- 5992 — Florists
- 5993 — Tobacco stores and stands
- 5994 — News dealers and newsstands
- 5999 — Miscellaneous retail stores
  
- 7011 — Hotels and motels
  
- 7032 — Sporting and recreational camps
- 7033 — Recreational vehicle parks and campsites
  
- 7922 — Theatrical producers (except motion picture) and miscellaneous theatrical services
- 7929 — Bands, orchestras, actors, and other entertainers and entertainment groups
- 7948 — Racing, including track operation
- 7991 — Physical fitness facilities
- 7992 — Public golf courses
- 7993 — Coin-operated amusement devices
- 7996 — Amusement parks
- 7997 — Membership sports and recreation clubs
- 7999 — Amusement and recreational services, not elsewhere classified