

Claiming a Refund of Tax Paid on the Federal Excise Tax Imposed on Heavy Trucks and Trailers

The federal excise tax imposed on the first retail sale of heavy trucks and trailers under s. 4051 of the Internal Revenue Code *is not included* in the retailer's taxable sales price, if the retailer separately states the federal excise tax on the invoice, bill of sale, or similar document that it gives to the purchaser. See the article titled "[Change in Taxes Included in Sales Price – Federal Excise Tax on Heavy Trucks and Trailers.](#)"

Since this law change took effect retroactively to September 1, 2014, it may have resulted in an overpayment of sales tax. A claim for refund for the overpayment of tax may be filed by the seller or buyer, but not by both. The information below provides the general rules for filing a claim for refund.

Sellers

A seller who paid sales or use taxes in error to the Department of Revenue on the federal excise tax on heavy trucks and trailers may file a claim for refund. A seller choosing to file a claim for refund can amend a previously filed *Sales and Use Tax Return* through one of the following methods:

- File electronically using [My Tax Account](#).
- File on paper using [Form ST-12](#).
- Send a letter to the Department of Revenue, as described in Part IV.A.3. of [Publication 216, Filing Claims for Refund of Sales or Use Tax](#).

A seller is not required to file a claim for refund of the federal excise tax on heavy trucks and trailers and may direct the buyer to request a refund of overpaid tax directly from the Department of Revenue (see "Buyers" below). If a seller is refunded tax and interest by the Department of Revenue for tax collected from a buyer, the seller is required to return the tax and interest to the buyer or to the Department of Revenue within 90 days after the date of the refund.

Buyers

A buyer may file a claim for refund of use tax the buyer paid in error on the federal excise tax on heavy trucks and trailers.

Tax Paid to Seller - If a buyer overpaid tax to a seller and the total tax is at least \$50, the buyer may request a claim for refund of overpaid sales or use tax directly from the Department of Revenue, using one of the following methods:

- If the buyer has filed a buyer's claim for refund in the past – Use [My Tax Account](#).
- If the buyer has not filed a buyer's claim for refund before, file electronically - [Use File a buyer's claim for refund – sales tax](#).
- Use paper [Form S-220, Buyer's Claim for Refund of Wisconsin State, County, and Stadium Sales Taxes](#), (also known as Form BCR). [Form S-220a, Schedule P, Attachment to Buyer's Claim for Refund of Wisconsin State, County, and Stadium Sales Taxes](#), must be completed and attached to Form S-220 for each seller to whom the buyer paid sales or use tax in error.

Note: A buyer may file a claim for refund even if the total tax is less than \$50, if the seller has ceased operating business, the buyer is being field audited, or the periods covered in the claim for refund are within the statute of limitations for the buyer but are closed to the seller. See Part III.B.2 in [Publication 216, Filing Claims for Refund of Sales or Use Tax](#), for more information.

Tax Paid to Department of Revenue - A buyer claiming a refund of use tax paid directly to the Department of Revenue may amend a previously filed *Sales and Use Tax Return* through one of the following methods:

- File electronically using [My Tax Account](#).
- File on paper using [Form ST-12](#).
- Send a letter to the Department of Revenue, as described in Part IV.B.2. of [Publication 216](#), *Filing Claims for Refund of Sales or Use Tax*.

Tax Paid to Another State Agency - Buyers claiming a refund of use tax paid to another state agency (e.g., Department of Transportation), must submit their request directly to the Department of Revenue, as described in Part IV.B.3. of [Publication 216](#), *Filing Claims for Refund of Sales or Use Tax*.

Motor Vehicle Dealers' Measure of Use Tax Increased to \$154 Effective January 1, 2017

Wisconsin licensed motor vehicle dealers are permitted to report use tax on a certain dollar amount per plate per month for the use of motor vehicles assigned to certain employees and dealership owners.

The reason for the increase to \$154 per plate is that [sec. 77.53\(1m\)\(a\)](#), Wis. Stats. (2013-14), requires that the Department of Revenue annually adjust the amount subject to use tax to reflect the annual percentage change in the U.S. Consumer Price Index for All Urban Consumers, U.S. City Average, as determined by the U.S. Department of Labor for the 12 month period ending June 30.

This index was 238.638 as of June 30, 2015 and increased to 241.038 as of June 30, 2016. Consequently, since the index changed over this period by over 1.0%, the measure of use tax for dealers' motor vehicle license plates is adjusted upward from \$152 to \$154 as of January 1, 2017 ($\$152 \times (241.038/238.638) = \154 , rounded to the nearest whole dollar).

New Sales Tax Publications

The Department of Revenue has developed three new sales and use tax publications. The new publications are available on the department's website.

1. Funeral Homes – [Publication 246](#) explains how Wisconsin sales and use taxes affect funeral homes.
2. Hospitals and Medical Clinics - [Publication 248](#) explains how Wisconsin sales and use taxes affect hospitals and medical clinics.
3. Disaster Relief – [Publication 411](#) discusses exemptions available to qualifying out-of-state businesses and out-of-state employees who are in Wisconsin solely to perform disaster relief work in connection with a state of emergency declared by the governor.