

Computer Exemption Guidelines for Assessors and Property Owners

State law (sec. 70.11(39), Wis. Stats.), exempts computers, software, and electronic peripheral equipment from property taxation. *These items are frequently assessed as manufacturing personal property.

Item	Description	Taxable/ Exempt	Comments
Alarm/Security systems	Central computer for alarm/security system	Exempt	Computer.
	Various security system sensory devices	Taxable	Equipment with embedded computerized components.
"All-in-one" printer/scanner/fax/copier	Combination device that includes an exempt device	Taxable	If this equipment can <i>only</i> operate using a computer, it is exempt as an electronic peripheral.
Amusement devices or arcade games	Electronic pinball and video games	Taxable	Equipment with embedded computerized components.
Automated warehouse equipment	Racks and other mechanical equipment	Taxable	Not connected to and operated by a computer.
Automotive diagnostic equipment	Electronic diagnostic equipment	Exempt	Computer and connected electronic peripheral equipment that collect, analyze store and retrieve data.
	Other diagnostic equipment	Taxable	Mechanical or not connected to a computer.
Bank teller machines/ATMs	Automated teller	Exempt	Networked computer, terminal, or electronic peripheral equipment.
Bowling and automatic scoring equipment	PC controlled equipment, networked PCs	Exempt	Computers, electronic peripheral equipment
	Pin setters, counters and scoring equipment	Taxable	Equipment with embedded computerized components.
Car wash equipment	Automated equipment	Taxable	Equipment with embedded computerized components.
Cash register/Checkout system and components	Scanner, scale, keyboard, register, computer, display screens, debit/credit card readers, check swipe, printer,	Exempt	Computer and electronic peripheral equipment - programmable electronic device(s) that can interpret, measure, store, retrieve, and process data.
	Mechanical - conveyor, tables, shelves	Taxable	Mechanical.
Copiers	All Copiers – networked, stand alone, etc.	Taxable	Exemption does not apply to copiers.
Credit card reader	Magnetic or optical strip reader	Exempt	Electronic peripheral equipment.
Delivery service tracking equipment	Scanner/code keypunch	Exempt	Computer or electronic peripheral equipment.

Item	Description	Taxable/ Exempt	Comments
Digital cameras	Still/Video Cameras	Taxable	Equipment with embedded computerized components. EXCEPTION: Digital cameras owned and used by a radio station, television station or cable television system (as defined in s. 66.0419(2)(d)) as part of a digital broadcasting equipment system are exempt under section 70.111(25) Wis. Stats. <u>Do not report exempt digital broadcasting equipment that is exempt under s. 70.111(25) on Schedule D-1 of the Personal Property Return.</u> Digital broadcasting equipment owned and used by anyone else remains taxable.
Digital Home Communication Terminals	Terminal used to decode satellite television signals	Taxable	Equipment with embedded computerized components.
Fax Machines	Fax machines (Except multifunction fax machines, please see "All-in-one")	Exempt	(Note: Fax machines that only perform the facsimile function were taxable for January 1, 2002 but are exempt for January 1, 2003.)
Fiber optic cables	Cables	Taxable	Telecommunications equipment.
Fire protection systems	Sensors/Alarms/Sprinklers	Taxable	Building components - real estate.
Forklift recharger	Electronic	Taxable	Electronic equipment with embedded computerized components.
Gaming devices/slot machines	Stand alone entertainment device	Taxable	Electronic equipment with embedded computerized components.
Gas pump	Pump equipment and housing	Taxable	Mechanical equipment.
Gas pump point-of-sale credit card swipe	Point-of-sale credit card reader in gas pumps	Exempt	Electronic peripheral equipment.
Gift Registration computer & equipment	Terminal or computer and display	Exempt	Computer & electronic peripheral equipment.
Global Positioning System equipment (GPS)	Navigation device - peripheral	Exempt	Electronic peripheral equipment. Exempt provided the device is connected to and operated by a computer.
	Self contained navigation device	Taxable	Electronic equipment with embedded computerized components.
Golf simulators	Stand alone entertainment device	Taxable	Electronic equipment with embedded computerized components.
Greeting card machine	Stand-alone	Taxable	Electronic equipment with embedded computerized components.
Grocery store scanners	Scanning equipment - portable handheld and checkout	Exempt	Electronic peripheral equipment. Reads codes (e.g., bar) for processing (retrieval of prices or inventory from a database)
Hotel reservations systems	Computer system	Exempt	Computer and electronic peripheral equipment used to enter, store, retrieve, display, and print reservations and other operating data.
Hotel security key system	Magnetically encodes cards used as "keys"	Exempt	Computer and electronic peripheral equipment. Programmable. Door locks are real estate.
Internet provider equipment	Computer system and peripherals	Exempt	Computers and electronic peripheral equipment - computers, modem banks, routers, hubs, disk arrays, software.
	Telephone lines	Taxable	Telecommunications equipment.
Leak detection equipment	Peripheral equipment	Exempt	Electronic peripheral equipment - Equipment connected to and operated by a computer.
	Stand alone equipment	Taxable	Electronic equipment with embedded computerized components.
Lighting systems	Electronically controlled lighting	Taxable	A building component.
Lottery ticket terminals	Dispenses online lottery tickets and scans tickets for past winning combinations	Exempt	Electronic peripheral equipment - connected to and operated by a computer. Communicates with a central database.

Item	Description	Taxable/ Exempt	Comments
Medical devices	Certain electronic imaging and monitoring devices	Exempt	Computer or electronic peripheral equipment - Examples include: ultrasound imaging device, magnetic resonance imaging device (MRI), and computerized axial tomography (CAT).
	X-Ray Imaging	Taxable	Not a computer or connected to and operated by a computer.
Optical equipment	Computer controlled equipment only	Exempt	Peripheral equipment requiring connection to a computer.
	Other equipment	Taxable	Equipment not connected to and controlled by a computer.
Photo processor *	Develops film, prints photos, scans and prints enlargements	Taxable	Electronic equipment with embedded computerized components.
Postage Meters	Calculates postage based on weight	Taxable	Electronic equipment with embedded computerized components.
Printing equipment *	Computer controlled equipment only	Exempt	Electronic peripheral equipment requiring connection to a computer.
Satellite dishes	Receives/sends various signals	Taxable	Electronic equipment with embedded computerized components.
Scales and packaging equipment	Electronic scales connected to computerized cash register	Exempt	Electronic peripheral equipment is connected to and operated by a computer. Communicates with a central database.
	Stand alone	Taxable	Mechanical and electronic equipment with embedded computerized components. Not connected to or operated by a computer
Sewing machines	Electric	Taxable	Electronic equipment with embedded computerized components.
Signs/electronic billboards/scoreboards	Signage and scoreboards	Taxable	Electronic equipment with embedded computerized components.
Television antennas	Receives video signal	Taxable	Not connected to or operated by a computer
Ticket dispensing equipment	Automated point-of-sale ticket dispenser	Exempt	Computer or electronic peripheral equipment -Takes input from user and communicates with central computer like ATM.
Time Clocks	Data collectors/ scanners with memory, processors, & internal modems	Exempt	Computer or electronic peripheral equipment.
	Manual punch card system or comparable	Taxable	Not a computer or connected to and operated by a computer.
Video Image Scopes/ Borosopes	Computer system and peripherals	Exempt	Computer and connected electronic peripheral equipment that collect, analyze store and retrieve data.
	Stand alone & self-contained equipment	Taxable	Equipment not connected to and controlled by a computer.
Word processors	Electronic typewriter	Taxable	Electronic equipment with embedded computerized components

Certification Statement

As the Secretary of the Wisconsin Department of Revenue (DOR), I have reviewed this guidance document or proposed guidance document and I certify that it complies with secs. 227.10 and 227.11, Wis. Stats. I further certify that the guidance document or proposed guidance document contains no standard, requirement, or threshold that is not explicitly required or explicitly permitted by a statute or rule that has been lawfully promulgated. I further certify that the guidance document or proposed guidance document contains no standard, requirement, or threshold that is more restrictive than a standard, requirement, or threshold contained in the Wisconsin Statutes.

DEPARTMENT OF REVENUE

A handwritten signature in black ink, reading "Peter W. Barca". The signature is written in a cursive style with a large initial "P" and a distinct "W" and "B".

Peter Barca

Secretary of Revenue