

# Summary of Tonnage Changes

## NOTE:

- Stricken text was removed from the regulation
- Underlined text were added to the regulation
- Highlighted text remains to be edited

## Wisconsin Statute §94.72(6) INSPECTION FEES.

(a) *Fee amounts.* Except as otherwise provided in this subsection, a person required to be licensed under sub. (5) shall pay the following annual inspection fees on all commercial feeds distributed in this state:

~~1. For commercial feeds distributed in this state, beginning on October 29, 1999, and ending on December 31, 2001, a feed inspection fee of 13 cents per ton.~~

~~2. For commercial feeds distributed in this state on or after January 1, 2002, A feed inspection fee of 23 cents per ton, except that if the person distributes less than 200 tons of commercial feed in a year, the feed inspection fee is \$46.~~

~~3. Beginning on October 29, 1999, for commercial feeds distributed in this state A weights and measures inspection fee of 2 cents per ton, except that if the person distributes less than 200 tons of commercial feed in a year, the weights and measures inspection fee is \$4.~~

### (am) *Tonnage reports and fee payments.*

1. By the last day of February annually, a person who is required to be licensed under sub. (5) shall file a tonnage report with the department showing the number of net tons of commercial feed that the person sold or distributed in this state during the preceding calendar year. By the last day of February annually, the person shall also pay the fees under par. (a) for commercial feed that the person sold or distributed in this state during the preceding calendar year, based on the tonnage report.

2. At the request of the department, a person filing a tonnage report under subd. 1. shall make the records upon which the tonnage report is based available to the department for inspection, copying and audit.

3. The department may not disclose information obtained from a tonnage report under subd. 1.

(b) *Responsibility.* Except as provided in par. (d), if more than one manufacturer or distributor is involved in the chain of distribution, the one who first sells or distributes commercial feed in this state or to a person in this state for further sale is responsible for the payment of inspection fees for the feed. No inspection fees are required for commercial feeds sold under the name and label of another licensee if the inspection fees have been or will be paid by a previous manufacturer or distributor in the chain of distribution as evidenced by an invoice or sales receipt. ***No inspection fees are required for commercial feeds on which the inspection fees have been or will be paid by a previous manufacturer or distributor in the chain of distribution as evidenced by an invoice or sales receipt.***

~~(c) *Invoice or receipt.* A manufacturer or distributor who distributes commercial feed to another manufacturer or distributor except an exempt buyer shall indicate on the invoice or sales receipt that the inspection fees have been or will be paid either by the manufacturer or distributor who distributes the commercial feed or by a prior manufacturer or distributor in the chain of distribution.~~

(d) *Exemption.* A manufacturer or distributor who is exempted from the license requirement under sub. (5) (a) and who maintains records required under par. (j) is not required to file tonnage reports or to pay inspection fees.

(e) *Credit for feed ingredient.* A manufacturer located in this state may claim an inspection fee credit for commercial feed purchased and used as a feed ingredient in manufacturing another commercial feed if the commercial feed used as a feed ingredient is purchased from a licensee who has or will pay inspection fees on that feed as evidenced by an invoice or sales receipt. The manufacturer shall identify clearly on the tonnage report the amount of commercial feed used as a feed ingredient and the names of licensees from whom it was purchased.

~~(f) Exempt buyers. A licensed manufacturer or distributor in this state who distributes 40% or more of the tonnage amount of commercial feed it manufactures or distributes in other states may request the department to be classified as an exempt buyer. An exempt buyer is responsible for the payment of inspection fees of all commercial feed it distributes. The department shall maintain a list of all exempt buyers and make the list available on request.~~

~~(g) Credit for feed sold to exempt buyers. A licensed manufacturer or distributor may claim an inspection fee credit for commercial feed distributed to an exempt buyer. The manufacturer or distributor shall identify clearly on the tonnage report the name of the exempt buyer and the type and amount of commercial feed on which an inspection fee credit is claimed.~~

~~(h) Credit for sales in other states. A manufacturer or distributor classified as an exempt buyer may claim an inspection fee credit for commercial feed distributed to purchasers in other states. The exempt buyer shall identify clearly on the tonnage report the type and amount of commercial feed on which an inspection fee credit is claimed. The exempt buyer shall maintain a record of all sales to purchasers in other states for which an inspection credit is claimed. This record shall be maintained for 3 years and be made available for inspection, copying or audit on request of the department.~~

(i) *Failure to file report or pay fees.* The license of any manufacturer or distributor who has failed to file reports or pay fees when due shall be subject to immediate suspension or revocation. Unpaid fees shall constitute a debt until paid. No license may be granted or renewed until the required reports are filed and the fees are paid. A penalty of 10 percent of the amount due, with a minimum penalty of \$10, shall be assessed against the licensee for all amounts not paid when due. The department may bring an action for the recovery of all fees not paid when due, including reasonable costs of collection.

(j) *Records.* Each licensee shall maintain a record of all quantities and brands of commercial feed purchased for resale, purchased for further use, sold or distributed by the licensee in this state. A manufacturer or distributor who is exempted from the license requirement under sub. (5) (a) shall maintain, as a condition of the exemption, a record of all commercial feed purchased for resale or further use in the manufacture of custom-mixed feeds. This record shall include evidence in the form of invoices or sales receipts indicating that inspection fees have been or will be paid on the feed by a previous manufacturer or distributor. All records shall be maintained for a period of 3 years and be made available for inspection, copying or audit on request of the department.

*Reminder of the following language in rule, and note the highlighted text identified for a change in the future:*

## **Wisconsin Administrative Code §ATCP 42.02 Commercial feed license.**

**(2) EXEMPTIONS.** A person may do ... the following without a license ...

(c) Manufacture or distribute a custom-mixed feed, provided that the manufacturer of that custom-mixed feed ...

3. Possesses a contract, invoice, or sales receipt from the supplier of each commercial feed ingredient used in the custom-mixed feed, showing that the supplier has paid or will pay all inspection fees required under s. 94.72 (6), Stats., for that commercial feed ingredient.

...

**(3) LICENSE APPLICATION.** A person applying for an annual license ... shall submit ...

(d) The inspection fees and feed tonnage report required under s. 94.72 (6), Stats. A feed manufacturer is not required to pay inspection fees on either of the following:

1. Grain used in a mill formulated feed if that grain is owned and provided by the final retail purchaser of that feed.
2. Grain used in a custom-mixed feed.