

Commercial Feed Tonnage Outreach Project:

Tonnage reporting & inspection fee assessment

Welcome!

Questions at the end

Recording live for later viewing

Agenda

Licensing requirements

Changes in statute

Discussion/Questions



To help you delineate

Inspection fee (money)

- Fees collected based upon distribution of commercial feed by the first to sell or distribute in or into the state of WI
- The money assessed on the quantity of commercial feed sold or distributed
- Commonly known as “tonnage tax”



Tonnage (commodity)

- A quantity of commercial feed and is based upon distribution by the first to sell or distribute in or into the state
- Quantity or count



Licensing

Activities currently not required to have a commercial feed license:

- Distribution of packaged commercial feed as packaged and labeled by the entity whose name appears on the label
- Distribution of bulk commercial feed in the form received from and labeled by a licensee, except for net weight statement
- Distribution of custom-mixes, if ingredients in the mixture were already assessed the inspection fee by a previous licensee.

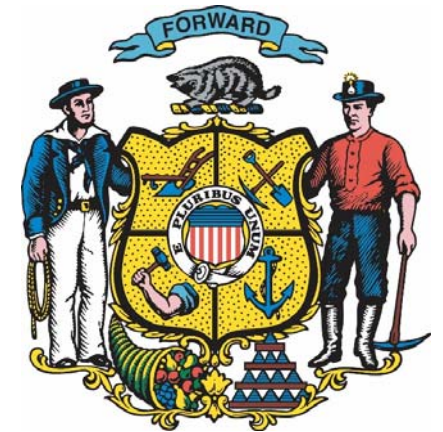
Keep in mind:

- Retailers are still exempt from licensure (e.g. gas stations)
- Brokerages and distribution businesses first to distribute in or into Wisconsin are required to be licensed

Current Statute as of 1/1/18

Handout – full citation Wisconsin Statute §94.72(6)

Changes as shown on handout



Change to Responsibility Requirement

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 the inspection fees for the feed.

***Note – Brokers and distribution businesses may now be responsible to report and pay tonnage under the revisions*

Summary of changes to Statute

Minimum inspection fee of \$50.00 for 0 – 200 tons

Removed exempt buyer license status

Removed credit reporting requirements

- prepaid purchases
- distributions/purchases to exempt buyers
- exempt buyers' out of state distributions



Out-of-state distributions

*No longer subject to fee



Through 12/31/17

The entity to first sell or distribute a commercial feed for further sale is responsible for the inspection fees, whether or not the sale or transaction was made wholly or partially in Wisconsin or another state, and regardless of how many times the feed changed hands.

As of 1/1/18

The entity to first sell or distribute commercial feed in or into this state for further sale is responsible for the inspection fees.

Tonnage reporting

What information can you report based on systems in place?

What information does industry need or want from this program?

Currently collect →

Questions – datcpfeed@wisconsin.gov

(Step 1) Schedule A: Total Commercial Feed Distributed

- Itemize all commercial feed or feed ingredients **your firm was first to distribute** during the calendar year, in Wisconsin.
- Include all commercial feed or feed ingredients which were already assessed the inspection fee, sold to registered Exempt Buyers, and sold out of Wisconsin. The list of registered Exempt Buyers is on page 4.
- Less than 1 ton may be reported in this step; rounding will occur in Step 5 (on Page 1).

Total Feed and Feed Ingredients Distributed					
NOTE: Do not include: (1) prepackaged feed or feed ingredients sold as retail; (2) unmixed whole seeds or grains, or (3) unmixed ground seeds or grains, as defined by U.S. grain standards.					
	Product Code	Tons		Product Code	Tons
Small Animal & Pet Foods	30		Marine Products	45	
Alfalfa Products	34		Milk Products	46	
Animal Products	35		Mineral Products	47	
Barley Products	36		Molasses Products	48	
Brewery Products	37		Oat Products	49	
Citrus Products	38		Rye Products	50	
Corn Products	39		Soybean Products	51	
Cottonseed Products	40		Vitamins	52	
Distillers Products	41		Wheat Products	53	
Fat & Oil Products	42		Miscellaneous Products	54	
Grain Sorghum Products	43		Pre-mixes	59	
Linseed & Flax Products	44		Schedule A Total		A1

Next steps

* Address the invoice indicator requirement [§94.72(6)(b)]



Discussion

- I. How do the changes made impact your business?
- II. Does it change the way you report tonnage, how?
- III. What works well or doesn't work with the changes?
- IV. Any areas still unclear about tonnage & inspection fees?
- V. What industry-wide information about tonnage could we supply that may be useful to your business?

Thank you!

Please complete the survey – <http://www.datcp.wi.gov>,
search “Feed Tonnage”

Recording will be posted after July 1, 2018

Questions: datcpfeed@wisconsin.gov