



Meeting
August 26, 2009.
6:30 PM Board meeting, 7:00 PM General
Membership meeting.
Our lobbyist, Gary Goyke, will be in attendance to
go over the current Breeder Licensing Bills.

We are scheduled to hold the meeting at Gander
Mountain in Germantown, BUT there is a possibility,
based on the number attending, that we will have to
move the meeting to K-9 OTC in Menomonee Falls
(Silver Spring & Lannon Rd.)

We will post the meeting location to the DFOW
Yahoo email group on Monday before the meeting.

Welcome to the August 2009 edition of the DFOW Newsletter.

Wow....it is hard to believe that it is almost time for the kids to go back to school. That means with the summer break ending, a very busy period will now ensue.

The legislature, now with the budget signed, will get busy on the bills that have been lingering and piling up in committees. That means that AB-250 and SB-208 will be heading to a public hearing.

As you may have noticed, DFOW has a new home on the web. Due to some web-hosting concerns, we have had to move our website and create a new domain name. Most of you may have at one time or another gone to the site and received an "exceeded bandwidth error". There were times when we have been unable to upload information. Due to the need to have our site accessible at all times it was decided, at a monthly meeting, it had to be moved. To prevent too much disruption, we have placed a forwarding request on the old site, but it only works if the site is actually working. Please review any materials, fliers, brochures you may have and please change the website address to www.dfow.net. Any new materials will have the new website address noted.

DFOW Officers & Board

President Joy Brand
Vice President Tracey Johnston
Secretary Heidi Braun
Treasurer Wendy Biewer
Board of Directors:
Toni Raden
Patti Krueger
Connie Kieckhefer

Please plan on attending our meeting on August 26th. I know it isn't our normal 3rd Wednesday meeting, but I have had to work around some scheduling conflicts.

I want to take this time to thank everyone that has offered their thoughts and prayers for my girl Tess. On July 20th, Tess was stricken with Hemolytic anemia. It happens very quickly and without warning. Tess has a bit of a complicated health history, but she was diagnosed with Microvascular Dysplasia with Portosystemic Hypertension when she

was 2 1/2. With this new situation her prognosis was not good and the vet thought she would not survive. She was in the hospital for 11 days. Just before she had gone in the hospital she weighed 19.3 lbs. When she came home she was 16.1. She was virtually skin and bone.

Keep in mind when you read the media's attempts to condemn breeders or owners of dogs for having dogs that look malnourished or neglected, ask yourself the questions; Did the dog have a health condition? Did anyone ask? Was the dog of a breed that is hereditarily thin? Did the bitch just whelp puppies? Bitches whelping puppies can be very thin because their systems are geared toward milk production.

Tess' spine was very pronounced, and if I would have had to score her on the body condition scoring index used by humane officers, she would have been scored very thin. While there are many dog owners that have been lucky enough to be spared these concerns, it is up to us to educate them about those things that they may not have experienced and could lead to them being wrongly accused of abuse or neglect.

Just as a reminder, always feel free to contact the officers and board of directors with any concerns. We try very hard to get accurate information out in a timely manner. With the internet and e-lists there have been instances where information has morphed into something that was inaccurate. For best results, check the website or contact us for clarification, when in doubt.

I want to thank those that were able to staff the booths at the Kettle Moraine Kennel Club shows and the Waukesha Kennel Club shows. Your involvement and support was greatly appreciated.

*Joy Brand
President*



DFOW booth at Kettle Moraine show—Representative Pridemore stopped by

Sales Tax Dilemma—A possible solution?

Many small scale breeders in the State of Wisconsin live in residential areas that do not allow “businesses” to be operated out of their homes. This is one of the reasons a breeder might not apply for a sellers permit. Some breeders will pay sales tax on their State income tax returns on the “out of state purchases” line rather than applying for a sellers permit. Others may not even be aware that they are supposed to be collecting sales tax on the sale of their puppies.

In the last few months, breeders in Indiana and California have either been raided, or contacted by their local taxing authorities. The Indiana case is very confusing. As we understand that particular situation, a family had been breeding on a large scale and probably should have been licensed as a business. The Indiana Dept. of Revenue apparently confiscated their dogs for not paying sales tax and the Humane Society of the United States was on hand to take custody of the dogs. We understand there have not been any charges of animal cruelty against the owners. Where the confusion comes in is that typically, an individual or business is given a warning for not paying taxes, an estimate of back taxes due is given and a payment schedule is worked out. The first step IS NOT to have a tax authority come in and seize your possessions before the accusations are verified. Another bit of confusion is that typically when government seizes your property, they sell it to recover back taxes. We understand that the dogs seized were sold to HSUS for the total sum of \$300.00 (\$2.50 per dog) <http://ar-hr.com/2009/07/30/hsus-buys-dogs-from-indiana/> This situation almost appears to be in violation of Federal constitutional rights.

In California (the State that is the poster child for out of control legislation—thank goodness we live in Wisconsin), tax authorities are apparently gathering names of breeders from parent club web sites, show catalogs, etc., and contacting people telling them that they should be paying sales tax if they are selling dogs. What a waste of taxpayer funds! When it comes to the Sales Tax topic which seems to be this year’s hottest talking point by animal rights organizations, you need to understand that we are not talking earned income.

According to IRS definitions most of us have a hobby, not a business and you can only claim losses on your income tax return up to the amount of income earned. Very similar to what happens with gambling wins & losses. For people that have a sellers permit for one reason or another, they can claim their puppy sales on their sales tax form, but the majority of small scale breeders do not have that option.

Many people are simply overwhelmed/intimidated when they even look at a sales tax form! Would a dog sold as a service dog be deemed tax exempt? There are tax exemptions for government, health, and educational entities so a dog sold for police work should technically be tax exempt.

If there was a line on your Wisconsin Income Tax return to pay sales tax on occasional taxable sales WITHOUT having to get a sellers permit, would those of you that occasionally sell puppies pay the applicable sales tax due? We believe that most people are honest



and would willingly pay sales tax if it could not be used against them by their municipality to halt their breeding program. It wouldn't take a lot of effort to change the current line (Sales and use tax due on out-of-state purchases) on the Income tax return to read: "Sales and use tax due on out-of-state purchases OR occasional Wisconsin taxable sales". Who knows, the State might also get some additional income from other people (habitual rummage sellers and various web based sellers) that are intimidated by having a sellers permit and filling out the form!

DFOW suggests that you contact your tax advisor and/or legal representative to determine what is right for your situation. Make sure you have the information provided by them available should you need it. At this time, all breeders are under the microscope for their breeding practices. If you have sold dogs, make sure your records are up-to-date. If you have donated dogs for charitable uses, make sure you have written documentation of the transfer, especially if you deduct it on your taxes as a donation. Your sales tax practices will only come into play if the Department of Revenue contacts you. You do not have to provide personal tax information for facility inspections to obtain kennel permits. Anyone asking for that personal information should be asked for their identification as only a taxing authority agent should have access to that information. It is also wise to verify their identification with a superior within that organization before allowing them access to your records.

**It is vitally important that DFOW members attend the August meeting. Our lobbyist, Gary Goyke will be in attendance. Please let Joy or Tracey know if you plan on attending.
Joy@dfow.net or Tracey@dfow.net**



Photos by Connie Kieckhefer—taken on our legislation day in Madison



