

Sales Tax Exemption for Farmers

Indirect Purchases of Building Materials, Supplies, Fixtures,
and Equipment

G.S. 105-164.13(1a), (4c), (4d)

- Sales of the following to a farmer:
 - A grain, feed, or soybean facility, and parts and accessories attached to the facility
- Any of the following:
 - Commercially manufactured facilities to be used for commercial purposes for housing, raising, or feeding animals or for housing equipment necessary for these commercial activities
 - Building materials, supplies, fixtures, and equipment that become a part of and are used in the construction, repair, or improvement of an enclosure or a structure specifically designed, constructed, and used for housing, raising, or feeding animals or for housing equipment necessary for one of these commercial activities
 - Commercially manufactured equipment, and parts and accessories for the equipment, used in a facility that is exempt from tax under this subdivision or in an enclosure or a structure whose building materials are exempt from tax under this subdivision
 - A bulk tobacco barn or rack, parts and accessories attached to the tobacco barn or rack, and any similar apparatus, part, or accessory used to cure or dry tobacco or another crop

PURCHASED BY ANYONE

G.S. 105-164.13E

- The following tangible personal property, digital property, and services are exempt from sales and use tax *if purchased by a qualifying farmer and for use by the farmer* in the planting, cultivating, harvesting, or curing of farm crops or in the production of dairy products, eggs, or animals.
 - A grain, feed, or soybean storage facility and parts and accessories attached to the facility.
 - A commercially manufactured facility to be used for commercial purposes for housing, raising, or feeding animals ...
 - Building materials, supplies, fixtures, and equipment ... for housing, raising, or feeding animals or for housing equipment ...
 - A bulk tobacco barn or rack, parts and accessories attached to the tobacco barn or rack, and any similar apparatus, part, or accessory used to cure or dry tobacco or another crop.

Proposed Bill Draft

- Effective July 1, 2014
- A qualifying item listed in subdivisions (5), (8), and (9) of subsection (a) of this section purchased to fulfill a contract with a person who holds a qualifying farmer exemption certificate or a conditional farmer exemption certificate issued under G.S. 105-164.28A is exempt from sales and use tax to the same extent as if purchased directly by the person who holds the exemption certificate. A contractor that purchases one of the items allowed an exemption under this section must provide an exemption certificate to the retailer that includes the name of the agricultural exemption certificate holder and the agricultural exemption certificate number issued to that holder.