

701—226.6(423) Commercial fertilizer and agricultural limestone. Sales of commercial fertilizer and agricultural limestone are exempt from tax only if the purchaser intends to use the fertilizer or limestone for the health promotion of plants produced for market as part of agricultural production. See rule 701—211.1(423) for definitions of “agricultural production” and “plants.” Plant hormones are considered to be commercial fertilizer. Sales of commercial fertilizer or agricultural limestone used for other purposes are subject to sales tax. Examples of taxable use include, but are not limited to: commercial fertilizer sold for application on a lawn, golf course, or cemetery.

This rule is intended to implement Iowa Code subsections 423.3(4) and 423.3(5).
[ARC 7870B, IAB 6/17/09, effective 7/22/09]