

Senate File 321 - Introduced

SENATE FILE _____
BY BOETTGER

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the sales tax exemption for farm machinery and
2 equipment used in agricultural production.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 2258XS 82
5 dea/gg/14

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1 1 Section 1. Section 423.3, subsection 8, paragraph a, Code
1 2 2007, is amended to read as follows:
1 3 a. The farm machinery and equipment shall be directly and
1 4 primarily used in production of agricultural products,
1 5 including any of the following activities:
1 6 (1) Coming into actual physical contact with the soil or
1 7 crops during planting, cultivating, harvesting, or soil
1 8 preparation.
1 9 (2) Inspection or repair of fences.
1 10 (3) Livestock monitoring.
1 11 (4) Viewing or inspection of crops.

1 12 EXPLANATION
1 13 This bill provides, for purposes of state and local sales
1 14 taxes, that inspection and repair of fences, livestock
1 15 monitoring, and viewing and inspection of crops are activities
1 16 related to production of agricultural products. The sales
1 17 price of farm machinery and equipment used in production of
1 18 agricultural products is exempt from state and local sales
1 19 tax.
1 20 LSB 2258XS 82
1 21 dea:rj/gg/14