

# Texas Agricultural Sales and Use Tax Exemption Certificate

Commercial agricultural producers must use this form to claim exemption from Texas sales and use tax when buying, leasing or renting qualifying agricultural items they will use exclusively in the production of agricultural products for sale.

You cannot use this form to claim exemption from motor vehicle tax when buying motor vehicles, including trailers. To claim motor vehicle tax exemption, you must give a properly completed Texas Motor Vehicle Tax Exemption Certificate for Agricultural and Timber Operations (Form 14-319) to the vehicle's seller or dealer. You must also claim the exemption on the Application for Texas Title (Form 130-U) when titling or registering the vehicle with the local County Tax Assessor-Collector.

This form is **not required** when purchasing the following types of agricultural items:

- horses, mules and work animals commonly used in agricultural production;
- animal life, the products of which ordinarily constitute food for human consumption, such as cows, goats, sheep, chickens, turkeys and pigs;
- feed for farm and ranch animals, including oats, corn, chicken scratch and hay; and
- seeds and annual plants, the products of which are commonly recognized as food for humans or animals (such as corn, oats and soybeans) or are usually only raised to be sold in the regular course of business (such as cotton seed).

All other purchases of agricultural items require this properly completed form to claim a sales tax exemption. See *the back of this form for examples of exempt and taxable items.*

|   |
|---|
| Name of retailer                                      |
| Address (Street and number, P.O. Box or route number) |
| City, State, ZIP code                                 |

### Proper use of this certificate


**Purchasers** - You can only use this certificate for items you purchase for exclusive use in an exempt manner. You should be familiar with qualifying items. Any non-agricultural or personal use disqualifies the purchase from exemption. See the back of this form for examples of exempt and taxable items.

**Retailers** - You can accept this certificate in good faith at the time of sale if it is properly completed with an ag/timber number and expiration date. You can also accept it as a blanket certificate covering all sales made during the time this certificate is valid on qualifying items that can reasonably be used to produce agriculture products for sale.

|  |  |
|--|--|
| Name of purchaser  |  |
| Address (Street and number, P.O. Box or route number)  |  |
| City, State, ZIP code  | Phone (Area code and number)   |
| Ag/Timber number<br><input style="width: 100%; height: 1em;" type="text"/>                         | Name of person to whom number is registered, if different than purchaser |
| This exemption certificate expires on <b>Dec. 31, 20</b> <input style="width: 20px;" type="text"/> |  |

I understand that I am required to keep records to verify eligibility for the exemption(s) claimed and that I will be required to pay sales or use tax on purchases that do not qualify for the exemption(s), in addition to any applicable interest and penalties.

I understand that it is a criminal offense to issue an exemption certificate to the seller for taxable items that I know will be used in a manner that does not qualify for the exemptions found in Tax Code Section 151.316. The offense may range from a Class C misdemeanor to a felony of the second degree.

|  |                                  |      |
|--|----------------------------------|------|
|  Purchaser's signature | Purchaser's name (print or type) | Date |
|--|----------------------------------|------|

This certificate should be given to the retailer. Do **not** send the completed certificate to the Comptroller of Public Accounts.

## Always Exempt

These items are always exempt and do not require an exemption certificate or an ag/timber number.

- Horses, mules and work animals commonly used in agricultural production;
- Animal life, the products of which ordinarily constitute food for human consumption, such as cattle, goats, sheep, chickens, turkeys and hogs;
- Feed such as oats, hay, chicken scratch, wild bird seed and deer corn for livestock and wild game (pet food is not exempt); and
- Seeds and annual plants, the products of which are commonly recognized as food for humans or animals, such as corn, oats and soybeans or for fiber, such as cotton seed.

## Exempt

Here are examples of items that are exempt from sales tax when used exclusively on a farm or ranch to produce agricultural products for sale and purchased by a person with a current ag/timber number.

|  |  |  |  |
|--|--|--|--|
| Air tanks  | Discs  | Grain handling equipment   | Rotary hoes  |
| Augers   | Drags  | Greases, lubricants and oils for qualifying farm machinery and equipment | Salt stands  |
| Bale transportation equipment                                | Dryers   | Harrows  | Seed cleaners  |
| Baler twine  | Dusters  | Head gates   | Shellers   |
| Baler wrap   | Egg handling equipment                         | Hoists   | Silo unloaders   |
| Balers   | Ensilage cutters                               | Husking machines   | Soilmovers used to grade farmland  |
| Binders  | Farm machinery and repair or replacement parts | Hydraulic fluid  | Sorters  |
| Branding irons   | Farm tractors                                  | Hydro-coolers  | Sowers   |
| Brush hogs   | Farm wagons                                    | Implements of husbandry  | Sprayers   |
| Bulk milk coolers  | Farrowing houses (portable and crates)         | Incubators   | Spreaders  |
| Bulk milk tanks  | Feed carts                                     | Irrigation equipment   | Squeeze chutes   |
| Calf weaners and feeders                                     | Feed grinders                                  | Manure handling equipment  | Stalls   |
| Cattle currying and oiling machines                          | Feeders  | Manure spreaders   | Stanchions   |
| Cattle feeders   | Fertilizer                                     | Milking equipment  | Subsoilers   |
| Chain saws used for clearing fence lines or pruning orchards | Fertilizer distributors                        | Mowers (hay and rotary blade)  | Telecommunications services used to navigate farm machinery and equipment* |
| Choppers   | Floats for water troughs                       | Pesticides   | Threshing machines   |
| Combines   | Foggers  | Pickers  | Tillers  |
| Conveyors  | Forage boxes                                   | Planters   | Tires for exempt equipment   |
| Corn pickers   | Forage harvesters                              | Poultry feeders  | Troughs, feed and water  |
| Corral panels  | Fruit graters                                  | Poultry house equipment  | Vacuum coolers   |
| Cotton pickers, strippers                                    | Fruit harvesters                               | Pruning equipment  | Vegetable graders  |
| Crawlers – tractors  | Grain binders                                  | Rollbar equipment  | Vegetable washers  |
| Crushers   | Grain bins                                     | Rollers  | Vegetable waxers   |
| Cultipackers   | Grain drills                                   | Root vegetable harvesters  |  |

\* As of Sept. 1, 2015, telecommunications services used to navigate farm machinery and equipment are exempt.

## Taxable

These items DO NOT qualify for sales and use tax exemption for agricultural production.

- Automotive parts, such as tires, for vehicles licensed for highway use, even if the vehicle has farm plates
- Clothing, including work clothing, safety apparel and shoes
- Computers and computer software used for any purposes other than agricultural production
- Furniture, home furnishings and housewares
- Golf carts, dirt bikes, dune buggies and go-carts
- Guns, ammunition, traps and similar items
- Materials used to construct roads or buildings used for shelter, housing, storage or work space (examples include general storage barns, sheds or shelters)
- Motor vehicles and trailers\*
- Pet food
- Taxable services such as nonresidential real property repairs or remodeling, security services, and waste removal

\* See [www.comptroller.texas.gov/taxinfo/agriculture](http://www.comptroller.texas.gov/taxinfo/agriculture).

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