

A bill for an act

relating to taxation; exempting grain bins, fencing materials, and cattle ear tags from sales and use tax; amending Minnesota Statutes 2010, section 297A.61, subdivision 12.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2010, section 297A.61, subdivision 12, is amended to read:

Subd. 12. **Farm machinery.** (a) "Farm machinery" means new or used machinery, equipment, implements, accessories, and contrivances used directly and principally in agricultural production of tangible personal property intended to be sold ultimately at retail including, but not limited to:

(1) machinery for the preparation, seeding, or cultivation of soil for growing agricultural crops;

(2) barn cleaners, milking systems, grain dryers, grain bins, fencing materials, cattle ear tags, feeding systems including stationary feed bunks, and similar installations, whether or not the equipment is installed by the seller and becomes part of the real property; and

(3) irrigation equipment sold for exclusively agricultural use, including pumps, pipe fittings, valves, sprinklers, and other equipment necessary to the operation of an irrigation system when sold as part of an irrigation system, whether or not the equipment is installed by the seller and becomes part of the real property.

(b) Farm machinery does not include:

(1) repair or replacement parts;

**H.F. No. 18, as introduced - 87th Legislative Session (2011-2012) [11-0543]**

2.1 (2) tools, shop equipment, ~~grain bins, fencing material,~~ communication equipment,  
2.2 and other farm supplies;

2.3 (3) motor vehicles taxed under chapter 297B;

2.4 (4) snowmobiles or snow blowers;

2.5 (5) lawn mowers except those used in the production of sod for sale, or garden-type  
2.6 tractors or garden tillers; or

2.7 (6) machinery, equipment, implements, accessories, and contrivances used directly in  
2.8 the production of horses not raised for slaughter, fur-bearing animals, or research animals.

2.9 **EFFECTIVE DATE.** This section is effective for sales and purchases made after  
2.10 June 30, 2011.