

Agricultural Trailers

New Exemption for Trailers Used to Transport Farm and Nursery Products, Supplies, and Equipment

Beginning July 1, 2019, additional types of trailers can be purchased tax-exempt by qualified farmers, nursery operators, or timber harvesters, provided the trailer is used for agricultural purposes related to the operation or maintenance of the farm or nursery, such as:

- to transport farm and nursery products (e.g., grain trailers used to transport grain over the road to market),
- to transport harvested timber (e.g., semi-trailers used to transport the timber to the saw mill or market), or
- to transport equipment and supplies for agricultural purposes relating to the operation and maintenance of the farm (e.g., utility, equipment, and flat-bed trailers used to transport equipment, water, fuel, and supplies between farms or nurseries).

Previously, the agricultural exemption for trailers applied only to livestock trailers and trailers used directly in the production (i.e., planting, growing,

and harvesting) of agricultural and nursery products (e.g., hay and silage wagons).

Farmers, Nursery Operators, and Timber Harvesters Must Provide Seller with Their Agricultural Sales and Use Tax Exemption Certificate

To purchase an agricultural trailer exempt from sales tax, the purchaser must present a copy of their agricultural exemption certificate to the seller. Alternatively, in place of a copy of the agricultural exemption certificate, the purchaser may present a fully completed Streamlined Sales Tax Certificate of Exemption form that includes the exemption number on the agricultural certificate issued by the Department.

For More Information

Visit www.tn.gov/revenue. Click on Revenue Help to search for answers or to submit an information request to one of our agents.

References

Tenn. Code Ann. § 67-6-207(a)(5); Public Chapter 178 (2019)