

## **Agriculture Exemption Number Notice - The Department of Revenue is now issuing numbers to all qualified applicants.**

- Legislation is now in effect that requires all farmers eligible to make certain purchases exempt from sales and use tax to apply for and use their agriculture exemption number when completing required certificates to claim applicable tax exemptions (KRS 139.481).
- The deadline for applying for the new agriculture exemption number for current farmers is January 1, 2022.
- The Application for the Agriculture Exemption Number, Form 51A800, is available on the Revenue website [www.revenue.ky.gov](http://www.revenue.ky.gov) under Sales Tax forms.
- Submit completed applications to [DOR.Webresponsesalestax@ky.gov](mailto:DOR.Webresponsesalestax@ky.gov) or mail them to the Division of Sales and Use Tax, Station 66, P.O. Box 181, Frankfort, KY 40602-0181.
- Applicants must verify they are engaged in the type of farming eligible for sales and use tax exemptions in KRS Chapter 139. To expedite the application process, the best form of documentation to supply is the IRS Schedule F, Profit or Loss From Farming.
- The agriculture exemption number is valid for three years from the date issued by the Department.
- Contact the Division of Sales and Use Tax with your questions at (502) 564-5170 or at the email address given above.

# Farmers can now apply for agriculture exemption number

BY MAYFIELD MESSENGER STAFF

The Kentucky Department of Revenue (DOR) is accepting applications from eligible farmers for new agriculture exemption numbers designed to protect the sales and use tax exemptions available.

While the statutory provisions for agriculture sales and use tax exemptions have not changed, the new tax ID number requirement will ensure only those who have pre-qualified with DOR are able to claim these exemptions.

Under the provisions of SB 148, enacted by the 2020 General Assembly and signed into law by Gov. Andy Beshear last March, all eligible farmers exempt from sales and use tax for the purchase of certain items must apply for and use their new agriculture exemption number when claiming applicable tax exemptions under KRS 139.481.

"Our Department of Revenue staff have worked closely with both the farming and retail communities in the development of a simple process to qualify for the exemption number," DOR Commissioner Thomas B. Miller said. "This application process and issuance of an agriculture exemption number will improve overall compliance with state tax codes while

minimizing claims by parties ineligible for the exemptions. An upcoming release of a new searchable database will also make this process transparent and convenient for both the sellers and the buyers."

The application for the Agriculture Exemption Number, Form 51A800, is available at [www.revenue.ky.gov](http://www.revenue.ky.gov) under Sales Tax forms. Completed applications should be submitted by email to DOR. [Webresponsesalestax@ky.gov](mailto:Webresponsesalestax@ky.gov) or mailed to DOR's Division of Sales and Use Tax, Station 66, P.O. Box 181, Frankfort, KY 40602-0181.

Applicants must verify the type of farming eligible for sales and use tax exemptions included in KRS Chapter 139. These exclusions include certain items purchased for the purpose of raising livestock as food for human consumption or producing crops. The DOR advises applicants to supply the IRS Schedule F, Profit or Loss from Farming form, if possible.

The deadline to apply for the new agriculture exemption number for current farmers is Jan. 1, 2022. The agriculture exemption number is valid for three years from the date issued by DOR.

Contact the Division of Sales and Use Tax with questions at 502-564-5170 or [DOR.Webresponsesalestax@ky.gov](mailto:DOR.Webresponsesalestax@ky.gov).

**APPLICATION FOR AGRICULTURE  
EXEMPTION NUMBER**



This application should be filed only by persons regularly engaged in the occupation of tilling and cultivating the soil for the production of crops as a business, regularly engaged in the occupation of raising and feeding livestock of a kind the products of which constitute food for human consumption, raising and feeding poultry, producing milk for sale or regularly engaged in raising ratite birds, llamas, alpacas, buffalos, cervids, or aquatic organisms as an agricultural pursuit.

➤ See additional information on the reverse side.

Name	/				
	Enter Legal Name of Farm or Farm Entity				Phone Number
Mailing Address					
	P.O. Box or Number and Street	City	County	State	Zip Code
Farm Address (If different from above)					
	Number and Street	City	County	State	Zip Code
E-mail Address					
Driver's License Number or Federal Employer Identification Number (FEIN)					
Type of Agricultural Business Activity (Check one or more that apply)	<input type="checkbox"/> Tilling and cultivating the soil for the production of crops as a business. <input type="checkbox"/> Raising and feeding livestock of a kind the products of which constitute food for human consumption. <input type="checkbox"/> Raising and feeding poultry for breeding or egg production. <input type="checkbox"/> Performing dairy operations for the production of milk for sale. <input type="checkbox"/> Raising and feeding ratite birds, llamas, alpacas, buffalos, cervids, or aquatic organisms for the sale of products as an agricultural pursuit.				
	<b>IMPORTANT</b> —Give a detailed explanation of the agricultural activity for which the farmer or farm entity is applying for the Agriculture Exemption Number. (Attach separate sheet if necessary.)				
Verification of Agricultural Business Activity Enclosed (Check all that are enclosed)	<input type="checkbox"/> IRS Schedule F, Profit or Loss from Farming; <input type="checkbox"/> IRS Form 4835, Farm Rental Income and Expenses; <input type="checkbox"/> The farm service agency number ( _____ ); <input type="checkbox"/> Any other type of information that may establish that the applicant qualifies for the Agriculture Exemption Number _____.				

I hereby certify that the above statements are correct to the best of my knowledge and belief and that I am authorized to sign this application. I agree that in the event it is determined that any of the property purchased is not tax-exempt, I will immediately report and pay the required tax measured by the purchase price of this property.

Authorized Signer Name \_\_\_\_\_ Title \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

## ADDITIONAL INFORMATION

### IF YOUR APPLICATION IS APPROVED

- A letter of authorization will be mailed to you. The letter will contain an Agriculture Exemption Number and instructions to properly claim the exemption on purchases.
- Issuance of the Agriculture Exemption Number does not automatically exempt all purchases. The purchases must still meet the statutory requirements listed on the Farm Exemption Certificate (Form 51A158) or the On-Farm Facilities Certificate of Exemption for Materials, Machinery and Equipment (Form 51A159).
- If the statutory requirements are met, you will be permitted to make purchases of tangible personal property without payment of sales and use tax to the vendor.
- You **MUST** issue a Farm Exemption Certificate (Form 51A158) or the On-Farm Facilities Certificate of Exemption for Materials, Machinery and Equipment (Form 51A159) to each of your vendors using your Agriculture Exemption Number.
- Once an Agriculture Exemption Number has been issued, the Department of Revenue **MUST** be notified promptly of any change in the name, address, or nature of the organization from the information submitted in this application. Please refer to your Agriculture Exemption Number when corresponding with the Department.

Send mail or email the completed application to:

Division of Sales and Use Tax  
Department of Revenue  
P.O. Box 181  
Frankfort, Kentucky 40602-0181  
**Email: *DOR.Webresponsesalestax@ky.gov***

