

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011**

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**SENATE BILL 445**

Short Title: Exempt Pallets for Ag Use From Sales Tax. (Public)

Sponsors: Senators Rabon, Newton; Allran, Daniel, Davis, Forrester, Harrington, Hise, Jackson, Pate, Preston, Soucek, and Tucker.

Referred to: Finance.

March 30, 2011

A BILL TO BE ENTITLED  
AN ACT TO EXEMPT THE SALE OF CERTAIN ITEMS FROM SALES AND USE TAX  
WHEN USED FOR AGRICULTURAL PURPOSES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-164.13 reads as rewritten:

"The sale at retail and the use, storage, or consumption in this State of the following tangible personal property, digital property, and services are specifically exempted from the tax imposed by this Article:

**Agricultural Group.**

(1) Any of the following items sold to a farmer for use by the farmer in the planting, cultivating, harvesting, or curing of farm crops or in the production of dairy products, eggs, or animals. A "farmer" includes a dairy operator, a poultry farmer, an egg producer, a livestock farmer, a farmer of crops, and a farmer of an aquatic species, as defined in G.S. 106-758.

a. Commercial fertilizer, lime, land plaster, plastic mulch, plant bed covers, greenhouses and repair parts for greenhouses, potting soil, baler twine, and seeds.

...

(1a) Sales of the following to a farmer, as defined in subdivision (1) of this section:

a. A container or pallet used for a purpose set out in subdivision (1) of this section or in packaging and transporting the farmer's product for sale.

b. A grain, feed, or soybean storage facility, and parts and accessories attached to the facility.

...."

**SECTION 2.** This act becomes effective July 1, 2011, and applies to sales made on or after that date.

