



Vermont Sales Tax Exemption Certificate  
for  
**AGRICULTURAL FERTILIZERS, PESTICIDES,  
SUPPLIES, MACHINERY & EQUIPMENT**  
32 V.S.A. § 9741(3) & § 9741(25)

**FORM  
S-3A**

To be filed with **SELLER**, not the Department of Taxes.  
The seller must retain an exemption certificate for every transaction.

Multiple purchases of the same agricultural supplies not typically used in agriculture or the same fertilizers and pesticides may use the same certificate by checking the applicable checkbox below. Purchases of machinery and equipment require a certificate for every individual purchase.

An exemption certificate that is accepted in good faith by the seller relieves the seller of liability for tax due. An explanation of “good faith” is provided in the instructions for this form.

<b>BUYER</b>	Buyer's Name		SSN or FEIN	
	Address		Telephone Number	
	City	State	ZIP	

<b>SELLER</b>	Seller's Name			
	Address			
	City	State	ZIP	

**AGRICULTURAL MACHINERY & EQUIPMENT**

<b>ITEM PURCHASED</b>	Item Purchased		Price
	This exemption is based on how the product is used. Please explain exactly how the product will be used.	Description	

**Continue to reverse side for more agricultural exemptions**

## AGRICULTURAL SUPPLIES NOT TYPICALLY USED IN AGRICULTURE

Please review the instructions for a list of agricultural supplies for which this Exemption is available. Be aware that agricultural supplies that are listed and typically used in agriculture do not require an exemption certificate as they are tax-exempt no matter who purchases the supplies.

<b>ITEM PURCHASED</b>	Item Purchased		Price
	This exemption is based on how the product is used. Please explain exactly how the product will be used.	Description	

Check this box if applicable. It is anticipated that there will be multiple purchases of this exact product for the same exact use. It will be unnecessary to submit a new exemption certificate for future purchases of this product for this use. I understand that the purchase of other products or the purchase of the same product for a different use will require a separate exemption certificate.

## FERTILIZERS & PESTICIDES

Fertilizers and pesticides are only exempt if they are used to produce tangible personal property for sale on farms.

<b>ITEM PURCHASED</b>	Item Purchased		Price
	This exemption is based on how the product is used. Please explain exactly how the product will be used.	Description	

Check this box if applicable. It is anticipated that there will be multiple purchases of this exact product for the same exact use. It will be unnecessary to submit a new exemption certificate for future purchases of this product for this use. I understand that the purchase of other products or the purchase of the same product for a different use will require a separate exemption certificate.

I certify that the above items will be used directly to produce products for sale on a farm, orchard, nursery, greenhouse, or similar structure. In the case of agricultural machinery and equipment, I certify that this use will constitute at least 96% of the total use.

\_\_\_\_\_  
Signature of Buyer or Authorized Agent

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**The completed certificate should be given to the seller who must retain it for at least three years after any exempted sale.**

# INSTRUCTIONS

Please see the Department of Taxes Fact Sheet Entitled “Agricultural Machinery, Equipment & Supplies: Taxable or Tax Exempt?” to learn how each exemption should be applied.

## **Agricultural Machinery and Equipment**

This certificate is used to document exemption from Vermont sales tax for agricultural machinery and equipment for use and consumption directly and exclusively, except for isolated or occasional uses, in the production for sale of tangible personal property on farms, orchards, nurseries, or in greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities for sale.

## **List of Exempt Agricultural Supplies and Fees**

- Agriculture feeds
- Seed
- Plants
- Baler twine
- Silage bags
- Agricultural wrap
- Sheets of plastic for bunker covers
- Liming materials
- Breeding and other livestock
- Semen breeding fees
- Baby chicks
- Turkey poults
- Agriculture chemicals other than pesticides
- Veterinary supplies
- Bedding

A supply is not exempt unless it is on the above list. If the supply is typically used in agriculture, it can be purchased by anyone without an exemption certificate. However, this exemption certificate is necessary if the supply is not typically used in agriculture. Items are not typically used for agriculture when they are more commonly used for non-farming activities. Examples include grass seed, flowering plants, and pet food.

## **Good Faith**

Tax applies to sales of these items unless the seller has accepted, in good faith, a fully completed and accurate exemption certificate from the buyer. A seller who has not charged tax in reliance on an exemption certificate accepted in good faith will not be liable for the tax. If the exemption claim proves to be incorrect, the Department will seek the tax from the buyer but not the seller.

A certificate has been taken in good faith if:

- (a) It contains no statement or entry which the seller knows, or has reason to know, is false or misleading.
- (b) The certification is on Form S-3A or a form with substantially identical language.
- (c) The certificate is dated and complete.
- (d) The property purchased is of a type ordinarily used for the stated purpose or the exempt use is explained.
- (e) The certificate has been received prior to or at the time of the sale.

## **Electricity, Oil, Gas, and Other Fuels**

Electricity and fuel used directly and exclusively for farm purposes are not taxable. In most cases no exemption certificate is required. Some suppliers may require that Form S-3F is completed if the use is not obvious or if only a portion of the fuel purchased is exempt.

## **Farms**

Farms include enterprises using land and improvements for agricultural production for sale. Agricultural production includes crops such as fruits, vegetables, turf and sod crops, livestock, bees and apiary products, Christmas trees, and maple syrup.

## **Use of One Certificate for Multiple Purchases**

A buyer may use the same certificate for multiple purchases of the same agricultural supplies not typically used in agriculture or the same fertilizers and pesticides. The buyer's use must also be the same.

Every individual tax-exempt transaction must be linked to a specific exemption certificate. Therefore, for instances where a certificate is used for multiple purchases, the seller must indicate on the sales slip which exemption certificate is being used. A seller risks liability for sales tax for transactions that are not clearly linked to a specific exemption certificate.

## **Retention of Certificates by the Seller**

Sellers must retain exemption certificates for at least three years from the date of the last sale covered by the certificate to document why tax was not collected from the buyer.