

1 H.35

2 Representative Higley of Lowell moves that the bill be amended by adding
3 Secs. 5a and 5b to read as follows:

4 Sec. 5a. 32 V.S.A. § 9741(25) is amended to read:

5 (25) Sales of agricultural machinery and equipment for use and
6 consumption directly and exclusively, except for isolated or occasional uses, in
7 the production for sale of tangible personal property on farms (including stock,
8 dairy, poultry, fruit, and truck farms), orchards, nurseries, or in greenhouses or
9 other similar structures used primarily for the raising of agricultural or
10 horticultural commodities for sale. It shall be rebuttably presumed that
11 machinery and equipment will be used in the production for sale of tangible
12 personal property on farms and will not be an isolated or occasional use, if the
13 purchaser of the machinery or equipment is the owner or operator of a farm
14 required to be permitted or certified under 6 V.S.A. chapter 215. It shall be
15 rebuttably presumed that uses are not isolated or occasional if they total more
16 than four percent of the time the machinery or equipment is operated.

17 Sec. 5b. 32 V.S.A. § 3752(7) is amended to read:

18 (7) “Farmer” means a person:

19 (A) who earns at least one-half of the farmer's annual gross income
20 from the business of farming as that term is defined in Regulation 1.175-3
21 issued under the Internal Revenue Code of 1986; or

1 (B)(i) who produces farm crops that are processed in a farm facility
2 situated on land enrolled by the farmer in a use value appraisal program or on a
3 housesite adjoining the enrolled land;

4 (ii) whose gross income from the sale of the processed farm
5 products pursuant to subdivision (i) of this subdivision (B), when added to
6 other gross income from the business of farming as used in subdivision (A) of
7 this subdivision (7), equals at least one-half of the farmer's annual gross
8 income; and

9 (iii) who produces on the farm a minimum of 75 percent of the
10 farm crops processed in the farm facility;

11 (C) who owns or operates a farm required to be permitted or certified
12 under 6 V.S.A. chapter 215.

13 (D) The Agency of Agriculture, Food and Markets shall assist the
14 director in making determinations of eligibility pursuant to subdivision (B) of
15 this subdivision (7).