

**SENATE  
STATE OF MINNESOTA  
NINETY-SECOND SESSION**

**S.F. No. 3375**

(SENATE AUTHORS: RARICK and Weber)

DATE	D-PG	OFFICIAL STATUS
02/21/2022	5087	Introduction and first reading Referred to Taxes
03/02/2022	5190	Author added Weber

1.1 A bill for an act

1.2 relating to taxation; sales and use; modifying the definition for the exemption of

1.3 farm machinery to include fencing material; providing an exemption for certain

1.4 construction materials for farm fencing material; amending Minnesota Statutes

1.5 2020, sections 297A.61, subdivision 12; 297A.71, by adding a subdivision.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2020, section 297A.61, subdivision 12, is amended to read:

1.8 Subd. 12. **Farm machinery.** (a) "Farm machinery" means new or used machinery,

1.9 equipment, implements, accessories, and contrivances used directly and principally in

1.10 agricultural production of tangible personal property intended to be sold ultimately at retail

1.11 including, but not limited to:

1.12 (1) machinery for the preparation, seeding, or cultivation of soil for growing agricultural

1.13 crops;

1.14 (2) barn cleaners, milking systems, grain dryers, feeding systems including stationary

1.15 feed bunks, fencing material, and similar installations, whether or not the equipment is

1.16 installed by the seller and becomes part of the real property; and

1.17 (3) irrigation equipment sold for exclusively agricultural use, including pumps, pipe

1.18 fittings, valves, sprinklers, and other equipment necessary to the operation of an irrigation

1.19 system when sold as part of an irrigation system, whether or not the equipment is installed

1.20 by the seller and becomes part of the real property.

1.21 (b) Farm machinery does not include:

1.22 (1) repair or replacement parts;

2.1 (2) tools, shop equipment, grain bins, ~~fencing material~~, communication equipment, and  
2.2 other farm supplies;

2.3 (3) motor vehicles taxed under chapter 297B;

2.4 (4) snowmobiles or snow blowers;

2.5 (5) lawn mowers except those used in the production of sod for sale, or garden-type  
2.6 tractors or garden tillers; or

2.7 (6) machinery, equipment, implements, accessories, and contrivances used directly in  
2.8 the production of horses not raised for slaughter, fur-bearing animals, or research animals.

2.9 **EFFECTIVE DATE.** This section is effective retroactively for sales and purchases  
2.10 made after June 30, 2021.

2.11 Sec. 2. Minnesota Statutes 2020, section 297A.71, is amended by adding a subdivision to  
2.12 read:

2.13 **Subd. 54. Building materials; farm fencing material.** Materials and supplies used or  
2.14 consumed in, and equipment incorporated into, the construction or improvement of farm  
2.15 fencing material that is not exempt under section 297A.61, subdivision 12, are exempt.

2.16 **EFFECTIVE DATE.** This section is effective retroactively for sales and purchases  
2.17 made after June 30, 2021.