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S.F. No. 4389 – Modification of landscaping equipment and land clearing services and materials consumed in agricultural production exemptions

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Section 1. Sale and purchase. Under current law, the service of tree, bush, shrub, and stump removal is taxable unless sold to a contractor or subcontractor and performed as part of a land clearing contract to develop a new site. This section removes that service from the definition of sale and purchase of taxable services, thereby exempting those services from sales tax. Effective for sales and purchases made after June 30, 2024.

Section 2. Materials used in providing certain taxable services. Excludes accessories, tools, equipment, and other detachable units (such as chainsaw chains and lawn mower blades) when used in landscaping, gardening, or lawn care services from the exemption for materials used in providing taxable services, thereby making these items taxable. Effective for sales and purchases made after June 30, 2024.

Section 3. Materials consumed in agricultural production. Adds the following to the exemption for materials consumed in agricultural production:

- materials used in the construction of an operable roof venting system, excluding materials used in the construction of the roof into which the venting system is installed; and
- concrete used in the construction of a system that provides both irrigation and climate control, if the system qualifies as exempt farm machinery under a separate section of law.

Effective retroactively for sales and purchases made after June 30, 2019.

Section 4. Repealer. Repeals the exemption for land clearing services performed as part of an initial land clearing contract. This exemption is no longer necessary given the removal of all land clearing services from the definition of “sale and purchase” in section 1. Effective for sales and purchases made after June 30, 2024.