51A159 (6-98)
Commonwealth of Kentucky
REVENUE CABINET

ON-FARM FACILITIES CERTIFICATE OF EXEMPTION FOR MATERIALS, MACHINERY AND EQUIPMENT

IMPORTANT
See Reverse Side for Additional Information

This certificate may be executed only for those purchases of tangible personal property (materials, machinery and equipment) which will be incorporated into the **initial construction of on-farm facilities** exempt under the provisions of KRS 139.480. This certificate may be executed (1) by the farmer who purchases the items directly from the retailer or (2) jointly by the farmer and a contractor who is under contract with the farmer and purchases the property to fulfill the terms of the construction contract.

THE UNDERSIGNED HEREBY CERTIFIES THAT THE PROPERTY TO BE PURCHASED FROM:

_____
Name of Vendor and Address

will be incorporated into an: (**farmer must initial on the appropriate line)**

_____ On-farm grain/soybean facility
_____ On-farm livestock or poultry raising facility
_____ On-farm buffalo raising facility
_____ On-farm ratite raising facility
_____ On-farm aquaculture facility
_____ On-farm llama or alpaca raising facility

_____
Description of Property to be Purchased

_____ Location of the Farm
_____ Expected Completion Date

The use of this certificate by the purchaser constitutes the issuance of a blanket certificate and will remain valid until the completion of the construction project. Revenue Form 51A158, Farm Exemption Certificate, must be executed for all subsequent purchases of materials to be incorporated into the repair or renovation of an existing on-farm facility.

I, the purchaser, understand that if the property described above is used in a nonexempt manner, I am liable for the payment of sales tax as provided in KRS 139.490, as if I were the retailer making a retail sale of the property at the time of such use and the cost to me shall be deemed the gross receipts from such retail sale. I will immediately remit to the Revenue Cabinet, Frankfort, Kentucky 40620, the required tax measured by the purchase price of the property. I also understand that the Cabinet shall hold the purchaser liable for the remittance of the tax and may apply any penalties as provided in KRS 139.990.

Under penalties of perjury, I swear or affirm that the information on this certificate is true and correct as to every material matter.

_____ Farmer's Name (Print)
_____ Contractor

_____ Signature
_____ Sales/Use Tax Permit Number (if applicable)

_____ Social Security Number
By _____ Signature Title

Date _____
Date _____

Address _____
Address _____

_____
_____

Contractor's Note: This certificate may not be used to purchase or rent/lease construction equipment or consumable supplies used in fulfilling a contract.

Caution: Sellers failing to obtain a valid certificate will be held liable for the sales and use tax. Further, sellers accepting or soliciting certificates who have failed to exercise care or have facts which give rise to a reasonable inference that the purchaser does not intend to use the property in an exempt manner will be held liable for the sales and use tax.

This certificate may only be used for the purchase of materials, machinery and equipment incorporated into the **initial** construction of the following on-farm facilities. Revenue Form 51A158, Farm Exemption Certificate, must be used to purchase tangible personal property used to repair or renovate an existing on-farm facility or for the purchase of feed/feed additives, water, gasoline, special fuels, liquefied petroleum gas, farm chemicals, etc., for each of these facilities.

On-Farm Grain or Soybean Facilities—This certificate applies to the equipment, machinery, attachments, and any materials incorporated into the initial construction of on-farm facilities used exclusively for grain or soybean storing, drying, processing, or handling. KRS 139.480(14)

On-Farm Facilities Used Exclusively for Raising Poultry or Livestock—This certificate shall apply to the equipment, machinery, attachments and any materials incorporated into the initial construction of on-farm facilities used exclusively for raising chickens or livestock. The exemption shall apply, but not be limited to, vent board equipment, waterer and feeding systems, brooding systems, ventilation systems, alarm systems, and curtain systems. KRS 139.480(15)

On-Farm Ratite Production Facilities—This certificate shall apply to equipment, machinery, attachments, and any materials incorporated into the initial construction of on-farm facilities used in the breeding and producing of ratite birds, feathers, hides, breeding stock, eggs, meat, and ratite by-products. The exemption shall apply to incubation systems, egg processing equipment, waterer and feeding systems, brooding systems, ventilation systems, alarm systems, and curtain systems. KRS 139.480(24)

On-Farm Llama and Alpaca Production Facilities—This certificate shall apply to equipment, machinery, attachments, and any materials incorporated into the initial construction of on-farm facilities used for the production of hides, breeding stock, fiber and wool products, meat, and llama and alpaca by-products. The exemption shall apply to waterer and feeding systems, ventilation systems, and alarm systems. KRS 130.480(26)

On-Farm Buffalo Production Facilities—This certificate shall apply to equipment, machinery, attachments, and any materials incorporated into the initial construction of on-farm facilities used for the production of hides, breeding stock, meat and buffalo by-products. The exemption shall apply to waterer and feeding systems, ventilation systems, and alarm systems. KRS 139.480

On-Farm Aquaculture Facilities—This certificate shall apply to equipment, machinery, attachments, and any materials incorporated into the initial construction of on-farm facilities used in producing products of aquaculture. The exemption shall apply, but not be limited to: waterer and feeding systems; ventilation, aeration, and heating systems; processing and storage systems; production systems such as ponds, tanks, and raceways; harvest and transport equipment and systems; and alarm systems. KRS 139.480

"Aquaculture" means the science, art, and business of producing and raising aquatic organisms under controlled or semi-controlled conditions. KRS 260.960

Questions concerning the use of this certificate should be directed to the Sales and Use Tax Section, (502) 564-5170.