

## RÉSUMÉ DIGEST

**ACT 378 (SB 97)**

**2017 Regular Session**

**Fannin**

Prior law provided for sales and use exemptions and exclusions for certain agricultural inputs including feed, seed, fertilizer, pesticides, fuel, and irrigation equipment that are used by anyone in preparing, finishing, manufacturing, or producing crops or animals for market.

New law retains the prior law exclusions and exemptions, but limits their application to commercial farmers who are defined by new law as persons who produce such food or commodities at a profit and file their farm income and expense on a federal Schedule F or similar federal tax form, including 1065, 1120, and 1120S, filed by a person assigned a North American Industry Classification System (NAICS) Code beginning with 11.

New law requires the Department of Revenue to promulgate rules in consultation with the Department of Agriculture and Forestry by January 1, 2019, to provide for the application of the definition of commercial farmer.

New law requires the Department of Revenue to honor farmer exemption certificates issued under prior law until July 1, 2019.

Effective January 1, 2018.

(Amends R.S. 47:301(10)(e), 305.3, 305.8, 305.37(A), and 305.63; adds R.S. 47:301(30))