MAINE REVENUE SERVICES
SALES, FUEL & SPECIAL TAX DIVISION
APPLICATION FORM

Commercial Agriculture

To obtain a sales tax exemption card for the purchase of Depreciable Machinery, Equipment or Repair parts and Electricity for use in Commercial Agricultural Production.

THIS APPLICATION MUST BE ACCOMPANIED BY ALL THE INFORMATION REQUESTED BELOW UNDER "SPECIFIC REQUIREMENTS"

CURRENT OR PREVIOUS EXEMPTION NUMBER _____ (if applicable)

BUSINESS START DATE_____

1. Federal Identification Number or Social Security Number_____

2. Name of Corporation or Name of Individual _____Phone #_____

3. Mailing Address_____

4. City_____State_____Zip Code_____

5. List all of your business activities and amount of time devoted to each:_____

_____

If you have any questions regarding eligibility requirements, restrictions, and issuance of exemption cards, please refer to Instructional Bulletin 45 and Rule 323. These publications are available on our web site at:
http://www.maine.gov/revenue/salesuse/Bull45.pdf http://www.maine.gov/revenue/rules/RULE323.PDF

Note: All information included with this application is subject to VERIFICATION by Maine Revenue Services. Maine Revenue Services may request additional information or documentation necessary to determine eligibility for an exemption certificate.

"I certify under the pains and penalty of perjury that I am engaged in Commercial Agricultural Production and that the statements made in this application and any supplements attached thereto are true, accurate, and complete to the best of my knowledge and belief."

_____
Signature of Owner, Partner or Corporate Officer

_____ _____ _____
Print Name Title Date

(See Page 2 for Specific Instructions and Information Required)

Phone: (207) 624-9693 (207) 287-4477 (Hearing Impaired) Fax: (207) 287-6628
E-mail: salestax@maine.gov

SPECIFIC REQUIREMENTS

Which form do you file WITH IRS to report your farming income and expenses?
(Refer to the business types below to determine what additional supporting documents are required.)

IF YOU FILE A:

Individual 1040

Please submit the most recent copy of the following forms along with the application:

- Form 1040 pages 1 & 2
- Schedules "F" & "C" (for all business activities)
- Form 4562 (Depreciation) for schedules "F" & "C"

Partnership 1065

Please submit the most recent copy of the following forms along with the application:

- **Pages 1-4of Form 1065**
- **Schedule "F"**
- **Form 4562 (Depreciation) for 1065**

Corporate 1120 OR 1120S

Please submit the most recent copy of the following forms along with the application:

- **All pages of Form 1120/1120S**
- **Form 4562 (Depreciation) for 1120/1120S**

NOTE

Please be sure to submit all supporting documents to avoid a delay in processing.

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GENERAL REQUIREMENTS AND RESTRICTIONS

REQUIREMENTS

Applicant must be engaged in commercial agricultural production. A copy of the most recent applicable tax return and related schedules shall serve as the basis for evaluating if the purchaser is in fact engaged in commercial agricultural production.

The exemption certificate can only be issued when the above information is available, first year applicants shall not be issued an exemption certificate until such time that the appropriate schedules can be produced. Dual purpose farmers, meaning those who are engaged in multiple activities using similar machinery and equipment **who are not primarily (more than 50% of the time) engaged in commercial agriculture shall not be issued exemption certificates.**

Those qualifying for commercial agricultural activities, but not qualifying for an exemption card are eligible for a sales tax refund for any sales tax paid on any qualifying depreciable machinery, electricity and equipment. The depreciable machinery equipment, (1) must be used directly in commercial agriculture (2) must be used primarily in commercial agriculture and (3) must be depreciable for federal income tax purposes. A refund application available by contacting Maine Revenue Services or it can be obtain from our web site at:
http://www.maine.gov/revenue/forms/STForms.html

RESTRICTIONS

The exemption certificate may be used to purchase depreciable machinery and equipment, including repair parts for such machinery and equipment, used directly and primarily in commercial agricultural production, exempt from tax.

The exemption certificate CAN NOT be used for the purchase of motor vehicles (including trailers, all terrain vehicles and snowmobiles) and attachments or accessories to motor vehicles, materials incorporated into real property such as lumber and building supplies, consumable items, machinery and equipment not 100% depreciable for Federal Income Tax purposes and for items not commonly used in commercial agriculture.

For a more complete listing of items that do or do not meet qualification requirements, please see Instructional Bulletin 45 and Rule 323 at: http://www.maine.gov/revenue/salesuse/Bull45.pdf and http://www.maine.gov/revenue/rules/RULE323.PDF

ADDITIONAL INFORMATION

Requests for more information on specific situations should be in writing, contain full details as to the situation in question and should be directed to:

Maine Revenue Services
Sales Tax Division
P. O. Box 1065
Augusta, Maine 04332-1065
(Published under Appropriation No. 010371)

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