

SUT-143- Agricultural Exemption - Class I and Class II Vehicle Registrations

This article is for informational purposes only.

If a Class I or Class II vehicle (except a mini-truck) is used principally for the purpose of producing agricultural products and was purchased using an agricultural exemption certificate, the subsequent registration of the vehicle does not invalidate the agricultural exemption. Accordingly, if such a vehicle is still being used principally for the purpose of producing agricultural products, county clerks should not collect sales tax or use tax upon the registration of that vehicle.

However, if the vehicle in question is not being used principally for the purpose of producing agricultural products and it was purchased using an agricultural exemption, county clerks should collect sales tax on the sale of that vehicle. To distinguish between these situations, county clerks should ask to see the registrant's valid agriculture exemption certificate or fully completed Streamlined Sales and Use Tax Certificate of Exemption.