

SUT-165- Fencing and Materials that Become Realty Upon Installation are Subject to Sales Tax

This article is for informational purposes only.

Fencing materials that become realty upon installation are subject to sales tax. Items that become realty upon installation are specifically excluded from the agricultural exemption. Fencing, including electric fencing, that is portable, intended to be moved, and does not damage the real property when it is moved, does not become real property upon installation and, therefore, may be purchased tax exempt by a holder of the agricultural certificate of exemption.

Reference: Tenn. Code Ann. § 67-6-207.