

1981 Legislation - Effective September 1, 1982

Chapter 103

Elimination of Sales and Use Tax on Services to Farm Machinery and Equipment

Effective September 1, 1982, section 1105(c)(3) of the Tax Law is amended by the addition of a new paragraph (vi) exempting the services of installing, repairing, maintaining, and servicing tangible personal property used directly and predominantly to produce a product for sale by farming. This exemption is provided for both state and local sales and use tax purposes, but not for the tax imposed by or for New York City.

Also, this exemption does not apply to servicing tangible personal property incorporated in a building or structure except for:

- (1) tangible personal property used in erecting, adding to, altering, or improving a silo (but not including the foundation), and
- (2) posts and wire used to make and maintain a trellis for grapes.

For sales and use tax purposes, the term "farming" includes stock, dairy, poultry, fruit, fur bearing animal, grape, and truck farming. The term "farming" also includes ranching, operating orchards and nurseries, greenhouses, and vineyard trellises or other similar structures when used primarily for raising agricultural, horticultural, vinicultural, viticultural, or floricultural commodities for sale.