

Revenue Information Bulletin No. 16-033

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Sales Tax

Polyroll Tubing Does not Qualify as Farm Equipment Pursuant to La. R.S. 47:305.25

Louisiana Revised Statute 47:305.63 provides that the sales and use tax imposed by the state of Louisiana and its political subdivisions whose boundaries are coterminous with those of the state shall not apply to the sale of polyroll tubing sold or used for commercial farm irrigation. Louisiana Revised Statute 47:305.25(A)(3) also provides a sales and use tax exemption for farm irrigation equipment, which specifically includes irrigation wells, drives, motors, and equipment.

The state sales tax exemption in La. R.S. 47:305.25(A) applies to the first \$50,000 of the sales price of a piece of farm equipment, when it is purchased by a farmer or an agricultural facility. The purchaser of the equipment or his representative must provide an exemption certificate from the Louisiana Department of Revenue certifying that the purchaser is a farmer or is purchasing for an agricultural facility.

The state sales tax exemption in La. R.S. 47:305.63 for polyroll tubing is separate and distinct from the state sales tax exemption for farm irrigation equipment pursuant to La. R.S. 47:305.25(A)(3). Polyroll tubing does not qualify as farm irrigation equipment under La. R.S. 47:305.25(A)(3).

Louisiana Revised Statute 47:305.63 is not among the state sales tax exemptions and exclusions, which are operative and in effect under Acts 25 and 26 enacted during the First Extraordinary Session of 2016. Polyroll tubing is subject to state sales and use tax in the amount of 5% beginning April 1, 2016 through June 30, 2016. Beginning July 1, 2016 through June 30, 2018, polyroll tubing is subject to state sales and use tax in the amount of 3%.

Questions concerning this publication can be directed to sales.inquiries@la.gov.

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Secretary