



**WISCONSIN LEGISLATIVE COUNCIL
ACT MEMO**

2013 Wisconsin Act 324 [2013 Senate Bill 448]	Sales and Use Tax Exemption for Equipment Used in a Fertilizer Blending, Feed Milling, or Grain Drying Operation
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2013 Wisconsin Act 324 creates a sales and use tax exemption for machines and specific processing equipment used exclusively and directly in a fertilizer blending, feed milling, or grain drying operation, including holding structures used for weighing and dropping feed or fertilizer ingredients into a mixer, wet corn holding bins, grain dryers, mixers, conveying equipment, and grinding, mixing, and saturation bins, and including holding structures used for weighing and dropping feed or fertilizer ingredients into a mixer, wet corn holding bins, mixers, conveying equipment, and grinding, mixing, and saturation bins. This exemption from sales and use tax applies regardless of whether such items become an addition to, a component of, or a capital improvement of real property.

The Act also creates a sales and use tax exemption for building materials acquired solely for and used solely in the construction or repair of holding structures used for weighing and dropping feed or fertilizer ingredients into a mixer or for storage of grain, if such structures are used in a fertilizer blending, feed milling, or grain drying operation.

The Act places two limitations on the sales and use tax exemptions described above. First, the exemptions apply only to items located on the same parcel of property where the fertilizer blending, feed milling, or grain drying operation activities are conducted, or on an adjoining parcel, including parcels that are separated only by a public road. Second, the exemptions apply only to persons who are primarily engaged in fertilizer blending, feed milling, or grain handling operations which include grain drying operations, or primarily engaged in any combination of fertilizer blending, feed milling, or grain handling operations which include grain drying operations, and to contractors providing real property construction activities to such persons.

Effective date: April 19, 2014.

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <http://www.legis.wisconsin.gov>.