

SENATE BILL 361

By Cooper

AN ACT to amend Tennessee Code Annotated, Section 67-6-102 and Section 67-6-207, relative to exemption of trailers used in agriculture from the sales and use tax.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-102(9), is amended by adding the following new sentence after the second sentence of the subdivision:

Trailers used principally before or after agricultural production or during the course of agricultural production shall also be considered "farm equipment and machinery", even if such trailers are in use at other times. Examples of such trailers include:

- (1) Trailers principally used to haul harvested products to market;
- (2) Trailers used principally for on-road use in the acquisition of products (e.g., seed, fertilizer, etc.) or equipment destined to be used in the actual production activity; or
- (3) Trailers used principally for on-road use in the transportation of equipment between farms or nurseries.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

