

## **DIESEL TRAILER OR SEED TENDER EXEMPTION**

**Prior Law** \_\_\_\_\_

Farm machinery and equipment customarily drawn or attached to self-propelled implements are exempt from sales and use tax if they are directly and primarily used in agricultural production. For purposes of this exemption, vehicles subject to registration are not eligible as self-propelled implements.

**New Provisions** \_\_\_\_\_

The sales price of a diesel fuel trailer or seed tender used primarily in agricultural production is exempt from sales tax regardless of the vehicle the diesel fuel trailer or seed tender is attached to.

“Fuel trailer” is defined as a trailer that holds dyed diesel fuel or diesel exhaust fluid and that is used to transport such fuel or fluid to a self-propelled implement of husbandry.

“Seed tender” is defined as a trailer that holds seed and that is used to transport seed to an implement of husbandry and load seed into an implement of husbandry.

**Section Amended** \_\_\_\_\_

Section 1 of 2014 Iowa Acts House File 2446 amends section 423.3, subsection 8, Code 2014.

**Effective Date** \_\_\_\_\_

July 1, 2014