



# Iowa Sales Tax Exemption Certificate

## Energy Used in Processing or Agriculture

**This document is to be completed by a purchaser to claim exemption from sales/use tax.**

This form is to be completed and provided to the seller of the energy used in processing or agriculture to exempt future purchases from sales tax. Certificates are valid for up to three years.

**For Prior Period:** To obtain a refund of sales tax previously paid on energy used for processing or agriculture, use form IA 843. Worksheets and examples for completing an energy study can be found on the sales tax forms page of our website at www.iowa.gov/tax. An energy study must be attached to the IA 843 in order to receive a refund.

Purchaser	Seller Name
Address	Address
City, State, ZIP	City, State, ZIP
General Nature of Business	
Daytime Telephone Number:	

FUEL PURCHASED:             Electricity             Gas             Other, specify: \_\_\_\_\_

REASON FOR EXEMPTION:     Grain Drying     Raising Livestock     Generating Electricity  
 Data Center     Processing     Manufacturing     Other, specify: \_\_\_\_\_

Effective Date of this Exemption Certificate: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Meter No. \_\_\_\_\_

Utility Account No. \_\_\_\_\_

\_\_\_\_\_ % Exempt + \_\_\_\_\_ % Taxable = 100%

### SUPPORTING DOCUMENTATION

If fuel is not metered, attach an explanation of the method of purchase and storage.

Documentation supporting the exemption must be provided with this certificate in order for a seller to accept the exemption certificate. The acceptance of a properly-completed certificate relieves the seller of liability. The documentation must be specific when listing processing or agricultural activities. All taxable activities must also be listed except that they may be combined into more general categories such as lighting, office, heating, air conditioning, etc. "Fuel" includes gas, electricity, water, heat, steam, and any other tangible personal property consumed in creating heat, power, or steam.

Under penalties of perjury, I swear or affirm that the information on and attached to this form is true and correct as to every material matter.

Authorized Signature of Owner, Partner, or Corporate Officer: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

***Iowa Sales Tax Exemption Certificate  
Energy Used in Processing or Agriculture***

To claim exemption, complete the Iowa Sales Tax Exemption Certificate for Energy Used in Processing or Agriculture (31-113) and give it to your supplier. Your utility company will require an updated form at least every three years and will need documentation showing how the energy is used.

Energy includes heat, steam, electricity, gas, or any other tangible personal property consumed in creating heat, power, steam, or for generating electric current.

Energy consumed in processing or agricultural production is exempt from Iowa sales and use tax. Energy used for the purpose of general heating, ventilating or lighting of buildings, and any use other than that of direct processing or agricultural production is taxable.

When filling out the exemption certificate for your utility company, you will need to show what percent of your total energy consumption is for exempt purposes. Separate meters for production and non-production use are ideal for determining the exempt and nonexempt energy percentages; however, a separate meter for non-production use is not practical in some cases.

If it is impractical to separately meter and bill the energy, the exemption certificate must be supported by a study showing how the exemption percentage was determined. The study must show the taxable use and the nontaxable use to correctly report the exempt percentage.

The following are available on the Department's website at [www.iowa.gov/tax](http://www.iowa.gov/tax) to assist in determining the correct exemption percentage:

- Worksheet and Example for Determining Electricity used in Processing / Agriculture
- Worksheet and Example for Determining Natural Gas used in Processing / Agriculture

Your utility company may also be able to provide assistance, or you may seek the help of an energy consultant.

**Seller: Keep this certificate in your files.**

**Purchaser: Keep a copy of this certificate for your records.**

**Do not send to the Iowa Department of Revenue.**