



Mississippi State Tax Exemption and Incentive Information

Smart Farm Systems products may be eligible for State-related tax benefits that incentivize the purchase, installation and use of our technology. These programs help minimize costs for farmers interested in adopting Advanced Irrigation Water Management (AIWM) systems. We recommend consulting with a CPA for advice related to your state and federal taxes related to purchase of a Smart Farm System.

Farm Equipment and Machinery Sales Tax Exemption

Sales Tax Exemption:

Farm equipment and machinery purchased for the exclusive and direct use in farming may be exempt for a reduced Sales Tax Rate of 1.5% in the State of Mississippi and is good for 7 years from June 26, 2018. The following conditions are outlined by the Department of Revenue for the State of Mississippi.

- (a) When sold to farmers for direct use in the production of poultry, ratite, domesticated fish, livestock, livestock products, agricultural crops, or ornamental plant crops or for other agricultural purposes, the Smart Farm irrigation control systems would be subject to the reduced 1.5% rate of Mississippi sales tax. The reduced rate would apply to the gross proceeds of sale and would thus be levied on all charges for installation, warranties and software updates. In order to qualify for the reduced 1.5% rate, the farmer should supply their vendor with a signed and notarized Mississippi Department of Revenue Farmer's Affidavit.
- (b) The required notarized form to be completed by the farmer for this to be valid can be found at: https://www.dor.ms.gov/Forms/sales_FarmersAffidavit.pdf

For information regarding application for the tax exemptions/incentive, contact the Mississippi Department of Revenue at (601) 923-7015 (or -7700) or visit their website at www.dor.ms.gov.

Please note the DOR, MS reserves the right to retract this ruling if, at a later date, it determines in its review that the ruling is incorrect.

08/01/2018