



Missouri 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 (reference MO Code of State Regulations 10-110.900)

Sales Tax Exemption:

Farm equipment and machinery purchased for the exclusive and direct use in farming is exempt from state and local taxes under Missouri Revised Statutes section 144.030.2(23) and 12, Missouri Code of State Regulations 10-100.900.

(23) All sales made to any private not-for-profit elementary or secondary school, all sales of feed additives, medications or vaccines administered to livestock or poultry in the production of food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for food or fiber, all sales of bedding used in the production of livestock or poultry for food or fiber, all sales of propane or natural gas, electricity or diesel fuel used exclusively for drying agricultural crops, natural gas used in the primary manufacture or processing of fuel ethanol as defined in [section 142.028](#), natural gas, propane, and electricity used by an eligible new generation cooperative or an eligible new generation processing entity as defined in [section 348.432](#), and all sales of farm machinery and equipment, other than airplanes, motor vehicles and trailers, and any freight charges on any exempt item. As used in this subdivision, the term “**feed additives**” means tangible personal property which, when mixed with feed for livestock or poultry, is to be used in the feeding of livestock or poultry. As used in this subdivision, the term “**pesticides**” includes adjuvants such as crop oils, surfactants, wetting agents and other assorted pesticide carriers used to improve or enhance the effect of a pesticide and the foam used to mark the application of pesticides and herbicides for the production of crops, livestock or poultry. As used in this subdivision, the term “**farm machinery and equipment**” means new or used farm tractors and such other new or used farm machinery and equipment and repair or replacement parts thereon and any accessories for and upgrades to such farm machinery and equipment, rotary mowers used exclusively for agricultural purposes, and supplies and lubricants used exclusively, solely, and directly for producing crops, raising and feeding livestock, fish, poultry, pheasants, chukar, quail, or for producing milk for ultimate sale at retail, including field drain tile, and one-half of each purchaser’s purchase of diesel fuel therefor which is:

- (a) Used exclusively for agricultural purposes;
- (b) Used on land owned or leased for the purpose of producing farm products; and
- (c) Used directly in producing farm products to be sold ultimately in processed form or otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold ultimately in processed form at retail;

For information regarding application for the exemptions/incentive, contact the Missouri Department of Revenue at (573) 751-3505, email dormail@dor.mo.gov or visit their website at www.dor.mo.gov.

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