



# Farmer's and Commercial Horse Boarding Operator's Exemption Certificate

This certificate is not valid unless all entries have been completed by the purchaser.

Name of seller			Name of purchaser		
Street address			Street address		
City	State	ZIP code	City	State	ZIP code

Check all applicable boxes:  Farmer  Commercial horse boarding operator – provide *Certificate of Authority* number: \_\_\_\_\_

Single purchase certificate  Blanket certificate

**You cannot use this form to purchase motor fuel (gasoline) or diesel motor fuel exempt from tax (see Note below).**

I certify that I am exempt from payment of sales and use taxes on the property or service(s) indicated below. The property or service(s) will be used or consumed in farm production or in a commercial horse boarding operation, or in both, in the exempt manner indicated below. (Check applicable box(es).)

- (a) The tangible personal property will be used or consumed predominantly either in farm production or in a commercial horse boarding operation, or in both, whether or not incorporated in a building or structure. This includes building materials that will be used to erect, install, repair, maintain, or service a building or structure used predominantly either in farm production or in a commercial horse boarding operation, or in both.
- (b) The service consists of installing, repairing, maintaining, or servicing exempt tangible personal property used or consumed predominantly either in farm production or in a commercial horse boarding operation, or in both. These services are still subject to the New York City local sales and use taxes.
- (c) The service consists of repairing, maintaining, or servicing a building, structure, or other real property used or consumed predominantly either in farm production or in a commercial horse boarding operation, or in both.
- (d) The motor vehicle will be used predominantly either in farm production or in a commercial horse boarding operation, or in both.
- (e) The fuel (not including motor fuel or diesel motor fuel), gas (including propane in containers of 100 pounds or more), electricity, refrigeration, or steam, or the gas, electric, refrigeration, or steam service, will be used or consumed either in farm production or in a commercial horse boarding operation, or in both.

**Note:** You cannot use this form to purchase motor fuel (gasoline) or diesel motor fuel exempt from tax. Use Form FT-1004, *Certificate for Purchases of Diesel Motor Fuel or Residual Petroleum Product for Farmers and Commercial Horse Boarding Operations*, for certain purchases of diesel motor fuel. Use Form FT-420, *Refund Application for Farmers Purchasing Motor Fuel*, to claim a refund of the motor fuel excise tax, the petroleum business tax, and the state and local sales tax on certain purchases. Use Form FT-500, *Application for Refund of Sales Tax Paid on Automotive Fuels*, to claim a refund of sales tax on certain purchases.

I certify that the above statements are true and correct. I make these statements with the knowledge that knowingly making a false or fraudulent statement on this document is a misdemeanor under section 1817 of the Tax Law and section 210.45 of the Penal Law, punishable by imprisonment for up to a year and a fine of up to \$10,000 for an individual or \$20,000 for a corporation. I understand that the Tax Department is authorized to investigate the validity of the exemption claimed or the accuracy of any information entered on this form.

Signature of purchaser or purchaser's representative (give title and relationship)	Date
Type or print the name that appears in the signature box	

## Instructions

*Farm production* means the production of tangible personal property for sale by farming. *Farming* includes agriculture, horticulture, viniculture, viticulture, aquaculture, silviculture, or floriculture; stock, dairy, poultry, fruit, vegetable, fur bearing animal, graping, truck, and tree farming; ranching; operating nurseries, greenhouses, vineyard trellises, or other similar structures used primarily for the raising of agricultural, horticultural, vinicultural, viticultural, silvicultural, or floricultural commodities; operating orchards; raising, growing, and harvesting crops, livestock, and livestock products; and raising, growing, and harvesting woodland products, including but not limited to timber, logs, lumber, pulpwood, posts, and firewood. Administrative activities that are predominantly related to farm production are considered to be activities of farm production. Farm production begins with the preparation of the soil or other growing medium and, in the case of animals, from the beginning of the life cycle. Production ceases when the product is ready for sale in its natural state; for farm products that will be converted into other products, farm production ceases when the normal development of the farm product has reached a stage where it will be processed or converted into a related product.

*Predominantly* means more than 50%, measured, for example, by hours of usage or by miles traveled.

*Commercial horse boarding operation* means an agricultural enterprise of at least **seven** acres and boarding at least 10 horses, regardless of ownership, that receives \$10,000 or more in gross receipts annually from fees generated either through the boarding of horses or through the production for sale of crops, livestock, and livestock products, or through both such boarding and such production. **Under no circumstances shall this include an operation whose primary on-site function is horse racing.**

**Note:** The above definition of commercial horse boarding operation became effective **January 1, 2003**, and is valid only for purchases made on or after that date. Prior to January 1, 2003, the definition of *commercial horse boarding operation* required the operation to consist of at least **10** acres rather than seven. Thus, a *commercial horse boarding operation* claiming exemption for any transaction occurring before January 1, 2003, must, in addition to the other requirements of the definition, have consisted of at least 10 acres.

### To the seller

If all entries have been completed and the certificate has been signed by the purchaser (or representative), you may accept the certificate in lieu of collecting tax on your sale of the property or service(s) described in the box(es) checked.

The tax exemptions for farmers and commercial horse boarding operators are limited to purchases of property and services used predominantly either in farm production or in a commercial horse boarding operation, or in both. Purchases of property or services not used predominantly either in farm production or in a commercial horse boarding operation, or in both, do not qualify for the exemption.

The farmer or commercial horse boarding operator must give you an exemption certificate with all entries completed no later than 90 days after the delivery of the property or service(s). Otherwise, the sale will be considered to have been taxable at the time the transaction took place. If, within the 90 days, you are given an exemption certificate that is deficient (for example, some required entries are left blank), it

will be considered satisfactory if the deficiency is corrected within a reasonable period of time. If you do not receive the certificate within the 90 days, you will share with the buyer the burden of proving the sale was exempt.

If the blanket certificate box is checked, you may consider this certificate part of any order received from the purchaser during the period that the blanket certificate remains in effect. A blanket certificate remains in effect until the purchaser gives you written notice of revocation, or until the Tax Department notifies you that the purchaser may not make exempt purchases.

You must keep this exemption certificate for at least three years after either the due date of the last return to which it relates or the date when the return was filed (if later). You must also maintain a method of associating an exempt sale made to a particular customer with the exemption certificate you have on file for that customer.

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### Privacy notification

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 171, 171-a, 287, 308, 429, 475, 505, 697, 1096, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(i).

This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.

Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.

Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.

This information is maintained by the Director of Records Management and Data Entry, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone 1 800 225-5829. From areas outside the United States and outside Canada, call (518) 485-6800.

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### Need help?



**Internet access:** [www.nystax.gov](http://www.nystax.gov)  
(for information, forms, and publications)



**Fax-on-demand forms:** 1 800 748-3676



**Telephone assistance** is available from 8:00 A.M. to 5:00 P.M. (eastern time), Monday through Friday.

To order forms and publications: 1 800 462-8100  
Business Tax Information Center: 1 800 972-1233  
From areas outside the U.S. and outside Canada: (518) 485-6800

**Hearing and speech impaired** (telecommunications device for the deaf (TDD) callers only): 1 800 634-2110 (8:00 A.M. to 5:00 P.M. eastern time).



**Persons with disabilities:** In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms, and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, please call 1 800 972-1233.



**If you need to write,** address your letter to: NYS Tax Department, Business Tax Information Center, W A Harriman Campus, Albany NY 12227.