

FOR IMMEDIATE RELEASE:  
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## **Sales Tax Exemption for Agricultural Repair and Replacements Parts Beginning October 1, 2014**

LINCOLN – LB 96, passed by the Unicameral in April 2014, provides a sales and use tax exemption for repair and replacement parts used to repair agricultural machinery and equipment. This sales tax exemption becomes effective October 1, 2014. The farmer or rancher purchasing eligible repair and replacement parts must issue a properly completed [Nebraska Resale or Exempt Sale Certificate, Form 13](#), Section B, exempt category 2, to the seller to exempt the purchase from sales tax.

The Nebraska Department of Revenue has updated the “[Nebraska Agricultural Machinery and Equipment Sales Tax Exemption](#)” information guide to incorporate the changes made by LB 96. In addition, the Form 13 has been updated to identify the exemption for repair and replacement parts used to repair agricultural machinery and equipment.

Farmers or ranchers who paid sales tax on depreciable repair and replacement parts for agricultural machinery and equipment used in commercial agriculture prior to October 1, 2014, may obtain a refund of the tax paid by filing a [Nebraska Sales and Use Tax Refund Claim, Form 7AG-1](#). The Department will continue to accept refund claims for tax paid on depreciable repair and replacement parts as long as the refund claims are filed within three years after the date of purchase.

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APPROVED:



Kim Conroy  
Tax Commissioner