



NO MORE SALES TAX ON FENCING MATERIALS!

A major victory for the Kansas agricultural industry was HB 2239, which was signed into law in 2022. Although it contains several tax provisions, the most notable for livestock producers is the permanent sales tax exemption on all labor and materials used to construct agricultural fence beginning July 1, 2022. KLA initiated the conversation following a wildfire that burned through a four-county area in mid-December 2021. The original request was for an exemption on materials and labor purchased to replace or rebuild fence on agricultural land destroyed by wildfire. The sales tax exemption was expanded from there with the full support of KLA.

Sales tax savings are just one way KLA helps members improve their bottom line.

- *A member was able to repair a semitrailer damaged in a windstorm without paying sales tax on replacement parts.*
- *KLA staff helped a member receive a full refund on sales tax paid on a self-propelled bale wagon.*
- *A member purchased a bale bed to be installed on a separately purchased vehicle and was exempt from paying sales tax.*
- *Staff assisted a member who was charged sales tax on salt and ear tags; both items are exempt due to being consumed in the production of agricultural commodities.*

Wondering if your agricultural purchase or property qualifies for sales tax exemption? Members have access to KLA legal staff to review questions regarding exemptions and to help understand laws and regulations impacting members. Invest in your operation — become a KLA member today!



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