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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 969

02/17/2025 Authored by Nelson; Pursell; Anderson, P. H., and Allen
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; sales and use; providing an exemption for farm fencing and
1.3 equipment; amending Minnesota Statutes 2024, section 297A.69, subdivision 4.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2024, section 297A.69, subdivision 4, is amended to read:

1.6 Subd. 4. Machinery, equipment, and fencing. The following machinery, equipment,
1.7 and fencing is exempt:

1.8 (1) farm machinery;

1.9 (2) logging equipment, including chain saws used for commercial logging;

1.10 (3) fencing used for the containment of farmed Cervidae, as defined in section 35.153,
1.11 subdivision 3;

1.12 (4) primary and backup generator units used to generate electricity for the purpose of
1.13 operating farm machinery, aquacultural production equipment, or logging equipment, or
1.14 providing light or space heating necessary for the production of livestock, dairy animals,
1.15 dairy products, or poultry and poultry products; and

1.16 (5) aquaculture production equipment; and

1.17 (6) fencing, including materials and supplies used or consumed in and equipment
1.18 incorporated into the construction, improvement, repair, or replacement of fencing, used
1.19 directly and principally in agricultural production of tangible personal property intended to
1.20 be sold ultimately at retail.

- 2.1 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
- 2.2 30, 2025.