

State of Arkansas
Department of Finance and Administration
Agricultural, Aquaculture and Horticulture Utility Exemption Application
Form ET-1441 A

Farm Utility Exemption Notice

Act 1441 of 2013 provides an exemption from state and local sales taxes for electricity, natural gas, and liquefied petroleum gas used by qualifying agricultural structures and qualifying aquaculture and horticulture equipment beginning January 1, 2014.

The eligible utility must be separately metered and used only for the purpose of the exemption. If a utility is sold for any other purpose, it will not be eligible for the exemption. Multiple use meters that provide the utility services for both eligible farm structures and facilities and for other types of structures, facilities or equipment are not eligible for the exemption. Before the exemption is allowed, the farmer seeking the exemption must obtain a certificate from DFA to provide to the utility supplier.

Qualifying agricultural structures are defined as

- A. A poultry or livestock facility used for commercial production, including without limitation a broiler or turkey grow-out house, laying house, hatching unit, nursery unit, breeding house, farrowing unit, and feed-out house;
- B. A cattle or dairy facility, including without limitation a milking parlor, milk collection unit, and refrigeration unit and
- C. A greenhouse used for commercial production.

Horticulture means the initial production and cultivation of fruits, vegetables, tree nuts, trees, shrubs, vines, and florists unless the cultivation of these items are at a retail or wholesale facility from which the items are sold.

Aquaculture is defined as the active cultivation of domesticated fish that are spawned, grown, managed, harvested, and marketed on an annual, semiannual, biennial, or short term basis in waters that are confined within a pond, tank, or lake that is situated entirely on the premises of a single owner and that, except under abnormal flood conditions, are in no way connected by water or with any other flowing stream or body of water; or body of water not situated on the premises of the owner.

Qualifying aquaculture or horticulture equipment includes:

- A. A cooling unit, collection unit, or irrigation equipment used in a commercial horticulture operation;
- B. Equipment used to pump and aerate a pond used in a commercial aquaculture operation; and
- C. A holding and sorting tank used in a commercial aquaculture operation.

Act 970 of 2021 provides an exemption for water used in poultry farming beginning October 1, 2021.

A "poultry farm" means a facility used for the commercial production of poultry, including without limitation a broiler or turkey grow-out house, laying house, hatching unit, nursery unit, and breeding house.

The water must only be used exclusively for the poultry farming operation and must be separately metered from water used for other purposes or the full sales and use tax rate will be due.

Please Email To: EFT.Refunds@dfa.arkansas.gov Or Please Mail To: Sales and Use Tax Section, P O Box 3566, Little Rock, AR 72203-3566.

For any questions please contact our office at 501-682-7105

Instructions for Form ET-1441 A

SECTION A - OWNER INFORMATION

Choose your type of ownership/entity. You can only choose one. Enter your taxpayer identification number. To get an FEIN, contact the IRS. Husband and wife operations can be a Sole Proprietor but only one person may be listed as the Sole Proprietor. Husband and wife can be a Partnership, but a legal BUSINESS partnership with an FEIN must be established.

Enter your full legal Business name NOT your DBA name. Sole Proprietor's should enter their name (first, middle, last).

Enter your Doing Business As (DBA) name. If the DBA name is exactly the same as the legal name, leave this line blank.

Enter the federal NAICS code for your business. This is a 4 to 6 digit number that describes your business activity. If you do not know this code, you can find your business code at www.census.gov/eos/www/naics/

Describe exactly the products sold or type of services rendered.

Enter the phone number for the business.

SECTION B - ADDRESS

Enter the physical location address of the entity. This is where the owner is physically located. For example, enter the corporate headquarter location address for a Corporation or the home address for a Sole Proprietor.

Enter the address at which you want to receive mail from the department if different from the physical location address. If this address is a 3rd party's address like an accountant, tax preparer, attorney, etc., please indicate the name of this party.

SECTION C - METER/TANK INFORMATION

Enter the qualifying structure or equipment.

Enter the meter/tank number.

Enter the utility supplier for the meter/tank.

Enter the utility account number for the meter/tank.

Enter the effective date for the meter/tank if after January 1, 2014.

Enter the type of utility (Electricity, Liquid Propane, Natural Gas, or Water)

