



If you purchase agricultural livestock fencing materials, then you are entitled to an exemption from state sales and use taxes, according to Act 2024-169.

WHAT is exempt from State Sales and Use taxes?

- Fencing materials such as t-posts, wood posts, barbed wire, net wire, smooth wire, standard metal gates, and other like materials used for the purpose of fencing in agricultural livestock applications.
- The exemption does not apply to county or municipal sales and use taxes, unless approved by resolution or ordinance adopted by the local governing body.

WHEN does the exemption go into effect?

- The exemption begins October 1, 2024, and ends September 30, 2029.

IS there a limit on the exemption amount?

- Yes, the exemption is limited to \$25,000 of the purchase of fencing materials.

WHO qualifies?

- Purchasers, such as farmers and cattlemen, who buy fencing materials for agricultural livestock applications.

WHAT is required?

- At the time of sale, the purchaser must complete and sign an Agricultural Livestock Fencing Materials Exemption Affidavit, Form ST:EXC-2.
- The seller must retain the original signed Agricultural Livestock Fencing Materials Exemption Affidavit and a copy of the sales receipt, for a period of three years.

If you have any questions about the exemption, please contact the Alabama Department of Revenue, Sales and Use Tax Division, at 334-242-1490.