

This document is to be completed by a purchaser when claiming exemption from sales/use tax. Certificates are valid for up to three years.

Purchaser Name \_\_\_\_\_

Seller Name \_\_\_\_\_

Address \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

General Nature of Business \_\_\_\_\_

Telephone Number \_\_\_\_\_

**Purchaser is doing business as:**

Retailer

Sales Tax Permit Number (if required) \_\_\_\_\_

Retailer Car Dealer

Enter your DOT number \_\_\_\_\_

Governmental Agency (including public schools)

Wholesaler  Farmer  Lessor

Manufacturer  Nonprofit Hospital

Private Nonprofit Educational Institution

Qualifying Residential Care Facility

Nonprofit Museum

Other  \_\_\_\_\_

**Purchaser is claiming exemption for the following reason:**

Resale  Leasing  Processing

Qualifying Farm Machinery/Equipment

Qualifying Farm Replacement Parts

Qualifying Manufacturing Machinery/Equipment

Research and Development Equipment

Pollution Control Equipment

Recycling Equipment

Qualifying Computer

Qualifying Replacement Parts/Supplies  
(Manufacturing, R&D, Pollution Control, Recycling,  
Computer)

Direct Pay  (permit number required) \_\_\_\_\_

Other  \_\_\_\_\_

Description of Purchase (Attach additional information if necessary) \_\_\_\_\_

Under penalty of perjury, I swear or affirm that the information on this form is true and correct.

Signature of Purchaser \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_

**Seller: Keep this certificate in your files.**

**Purchaser: Keep a copy of this certificate for your records.**

**Do not send to the Iowa Department of Revenue.**

Instructions

This exemption certificate is to be completed by the purchaser claiming exemption from tax and given to the seller. The seller must retain this certificate as proof that exemption has been properly claimed. The certificate must be complete to be accepted by the seller. The seller can accept an exemption certificate only on property that is qualified (see the exemptions below) or based on the nature of the buyer. If property or services purchased for resale or processing are used or disposed of by the purchaser in a nonexempt manner, the purchaser is then responsible for the tax.

**General Information about Exemptions**

**Resale:** Any person in the business of selling who is purchasing items to resell may claim this exemption. **The purchaser can be acting as either a retailer or wholesaler and may not be required to have a sales tax permit.** Retailers with a sales tax permit number must enter it in the space provided.

**Processing:** Exempt purchases for processing include tangible personal property which by means of fabrication, compounding, manufacturing, or germination becomes an integral part of other tangible personal property ultimately sold at retail; chemicals, solvents, sorbents, or reagents used, consumed, dissipated, or depleted in processing personal property intended to be sold ultimately at retail, and chemicals used in the production of free newspapers and shoppers guides. **NOTE:** To claim an exemption for fuel used to create heat, power, or steam for processing or for fuel used to generate electric current, use Iowa Sales Tax Exemption Certificate, Energy used in Processing or Agriculture.

**Qualifying Farm Machinery/Equipment:** The item must be one of the following:

1. A self-propelled implement directly and primarily used in agricultural production, such as a tractor.
2. An implement directly and primarily used in agricultural production that is customarily drawn or attached to a self-propelled implement in the performance of its function, such as a plow.
3. A grain dryer (heater and blower only) directly and primarily used in agricultural production.
4. A snow blower, rear-mounted or front-mounted blade, or rotary cutter used in agricultural production, if attached to or towed by a self-propelled implement.
5. A diesel fuel trailer, seed tender, all-terrain vehicle, or off-road utility vehicle primarily used in agricultural production.
6. Tangible personal property that does not become a part of real property and is directly and primarily used in livestock or dairy production, aquaculture production, or the production of flowering, ornamental, or vegetable plants.
7. Auger systems, curtains, curtain systems, drip systems, fans, and fan systems, shutters, inlets, shutter or inlet systems, and refrigerators used in livestock or dairy production, aquaculture production, or the production of flowering, ornamental, or vegetable plants.
8. An auxiliary attachment improving safety, performance, operation, or efficiency for items 1 through 7.
9. A replacement part for items 1 through 8.
10. A container, label, carton, pallet, packing case, wrapping, baling wire, twine, bag, bottle, shipping case, or other similar item used in agricultural, livestock, or dairy production.

**Qualifying Manufacturing Machinery/Equipment:** The item must be computers, machinery, equipment, replacement parts, supplies, or material used to construct or self-construct computers, machinery, equipment, replacement parts, or supplies used for one of the following purposes:

1. Directly and primarily used in processing by a manufacturer.
2. Directly and primarily used to maintain integrity or unique environmental conditions for the product.
3. Directly and primarily used in research and development of new products or processes.
4. Directly and primarily used in recycling or reprocessing of waste products.

**Pollution Control Equipment:** The equipment must be used by a manufacturer primarily to reduce, control, or eliminate air or water pollution.

**Qualifying Computers:** The computers must be used in processing or storage of data or information by an insurance company, financial institution, or commercial enterprise.

**Direct Pay:** Businesses and individuals who pay their taxes directly to the Department rather than to the seller **must** enter their Direct Pay permit number in the space provided.

**Private Nonprofit Educational Institutions:** Purchases made by Iowa private nonprofit educational institutions used for educational purposes are exempt.

**NOT EXEMPT from sales tax are purchases by most other private nonprofit organizations such as churches, fraternal organizations, clubs, etc., for use by those organizations.**

For more information about sales tax exemptions, see the Department's website (<https://tax.iowa.gov>).