

Agricultural Exemption



WHAT IS AN AGRICULTURAL EXEMPTION?

An agricultural exemption is an exemption from sales tax when you purchase personal property for your farm, ranch or agricultural endeavors, for example tractors, feed, fertilizer or other farm and ranch related essentials.



WHO QUALIFIES?

Pursuant to Title 68 Section 1358.1 of the Oklahoma Statutes, individuals or businesses engaged in farming or ranching for profit may qualify for an agricultural exemption. A permit card must be obtained from the Oklahoma Tax Commission (OTC) and used when making a purchase tax-exempt for their farm or ranch.



HOW DO I APPLY ?

You can apply online using OKTAP or by going to your local county assessor's office for assistance in applying.



WHAT DO I NEED TO APPLY?

Applicants should submit an IRS Schedule F, Form 4835, Forms 1065, 1120, 1120S or other document you believe demonstrates you are regularly engaged in farming/ranching for a profit. If you do not have the documents listed above, you may complete and upload a 3 Year Business Plan into OKTAP with your application.



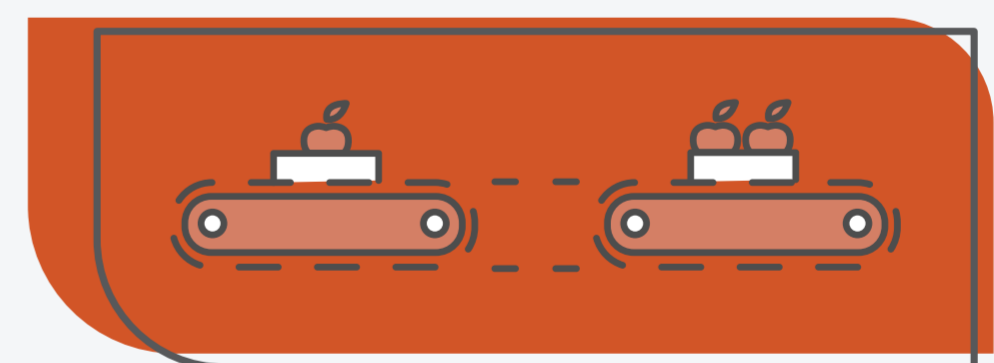
WHAT DO I NEED TO RENEW?

Renewing applicants should submit an IRS Schedule F, Form 4835, Forms 1065, 1120, 1120S and any other document you believe demonstrates you are regularly engaged in farming/ranching for a profit. All applications will be verified by the OTC prior to granting the exemption.



HOW OFTEN DO I RENEW?

Once accepted, your agricultural exemption is valid for three years. Every three years you will need to renew your exemption on OKTAP by uploading the required supporting documentation.



HOW DOES THE REVIEW PROCESS WORK?

Once the application is completed online, the application is sent without the supporting documentation to the county assessor to review farm assets and compliance with property taxes. Upon verification by the county assessor, the OTC continues its review to determine if the applicant qualifies for the exemption. If you do not provide supporting documentation online, showing you qualify for the exemption, a denial will be issued that states you must provide the documentation in order to process the application.



WHAT OTHER PROCESSES REGARDING MY AGRICULTURAL EXEMPTION CAN I COMPLETE ON OKTAP?

On OKTAP, you can also update your information, renew by uploading supporting documentation, cease your exemption and order a replacement exemption card.

