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HOUSE BILL NO. 1295

Offered January 20, 2022

A BILL to amend and reenact § 58.1-3505 of the Code of Virginia, relating to personal property tax; farm machinery and farm implements.

Patron—Gooditis

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:**1. That § 58.1-3505 of the Code of Virginia is amended and reenacted as follows:**

§ 58.1-3505. Classification of farm animals, certain grains, agricultural products, farm machinery, farm implements and equipment; governing body may exempt.

A. Farm animals, grains and other feeds used for the nurture of farm animals, agricultural products as defined in § 3.2-6400, farm machinery and farm implements are hereby defined as separate items of taxation and classified as follows:

1. Horses, mules and other kindred animals.

2. Cattle.

3. Sheep and goats.

4. Hogs.

5. Poultry.

6. Grains and other feeds used for the nurture of farm animals.

7. Grain; tobacco; wine produced by farm wineries as defined in § 4.1-100 and other agricultural products in the hands of a producer.

8. Farm machinery and farm implements, other than the farm machinery and farm implements described in ~~subdivision~~ subdivisions 10, and farm implements 14, and 15, which shall include (i) equipment and machinery used by farm wineries as defined in § 4.1-100 in the production of wine; (ii) equipment and machinery used by a nursery as defined in § 3.2-3800 for the production of horticultural products; and (iii) any farm tractor as defined in § 46.2-100, regardless of whether such farm tractor is used exclusively for agricultural purposes.

9. Equipment used by farmers or farm cooperatives qualifying under § 521 of the Internal Revenue Code to manufacture industrial ethanol, provided that the materials from which the ethanol is derived consist primarily of farm products.

10. Farm machinery designed solely for the planting, production or harvesting of a single product or commodity.

11. Privately owned trailers as defined in § 46.2-100 that are primarily used by farmers in their farming operations for the transportation of farm animals or other farm products as enumerated in subdivisions 1 through 7.

12. Motor vehicles that are used primarily for agricultural purposes, for which the owner is not required to obtain a registration certificate, license plate, and decal or pay a registration fee pursuant to § 46.2-665, 46.2-666, or 46.2-670.

13. Trucks or tractor trucks as defined in § 46.2-100, that are primarily used by farmers in their farming operations for the transportation of farm animals or other farm products as enumerated in subdivisions 1 through 7 or for the transport of farm-related machinery.

14. Farm machinery and farm implements, other than the farm machinery and farm implements described in subdivisions 8, 10, and 14 15, which shall include equipment and machinery used for forest harvesting and silvicultural activities.

15. Farm machinery and farm implements, other than the farm machinery and farm implements described in subdivisions 8, 10, and 14, which shall include (i) freezer and refrigeration equipment for storage and sale of on-farm-produced meat, produce, and grain and (ii) season-extending vegetable hoop houses used for in-field production of produce.

B. The governing body of any county, city or town may, by ordinance duly adopted, exempt in whole or in part from taxation, or provide a different rate of tax upon, all or any of the above classes of farm animals, grains and feeds used for the nurture of farm animals, farm vehicles, and farm machinery, implements or equipment set forth in subsection A.

C. Grain; tobacco; wine produced by farm wineries as defined in § 4.1-100; and other agricultural products, as defined in § 3.2-6400, shall be exempt from taxation under this chapter while in the hands of a producer.

INTRODUCED

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