

MN DEPARTMENT OF REVENUE - SALES & USE TAX REFERENCE SHEET							Comments
District Items in Question	Sales Tax Due	Non Taxable	Tax Paid by SWCD	Tax Paid by Customer	Use Tax Due SWCD	File ST-3	
Tree Program							
Non-Ag & Non-Program							
Trees, Native Grasses, Forbs, etc. planted by Landowner	X			X			
Landowner installs Tree Enhancements **	X			X			
(See Tree Enhancements** at bottom of document)							
Trees, Native Grasses, Forbs, etc. planted by SWCD					X		On Cost
SWCD installs Tree Enhancements **					X		On Cost
Tree Program							
Conservation Reserve Program or other specifically enumerated government program							
Trees, Native Grasses, Forbs, etc. planted by Landowner						X	SWCD obtains
Landowner Installs Tree Enhancements **							ST-3 from farmer
Native Prairie grasses, Forbs, etc. planted by SWCD		X			X		Use Tax Due on Cost
SWCD Installs Tree Enhancements **		X			X		unless items are
							separately stated on
							invoice.
Planting/Tube/Fabric Landscape Chgs. for Non-Ag Non-Program and for State & Federal Programs							
Non- Ag (Residential or Business)					X		On Cost of Materials
Non-Program					X		On Cost of Materials
Conservation Reserve Program(SWCD doing planting)					x		On Cost of Materials
If SWCD itemizes the materials they can be sold exempt							ST3
(Assuming none of the programs qualify as exempt programs)							See Below
Rentals of No-Till Drill, Weed Badger, Tree Planter etc							
Non-Ag/Non-Program Rentals (Work done by Landowner)	X			X			
Non-Ag/Non/Program Rentals (Work done by SWCD)		X					Rental With Operator
Qualifying Agricultural Rentals		X					ST-3
State or Federal Program Rentals (Work done by Landowner)	X			X			
State or Federal Program Rentals (Work done by SWCD)		X					Rental With Operator
(If the rental charge is taxable the delivery charge is taxable)							
Monitoring Irrigation Equipment, monitoring rainfall, Informing landowners when to irrigate, etc.		X					Nontaxable
Septic Loan Application Fees		X					Nontaxable

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All SWCD Purchases for Resale								
Purchases of Trees, Fabric Mulch, Tree Tubes, stakes, fertilizers, seed, flags, Deer-B-Gone, resale items.		X				X	Exempt For Resale ST3 filed by SWCD	
Purchases of plat books, flags, erosion control matting or netting, seeds, staples, etc. for Resale		X				X	Exempt For Resale ST3 filed by SWCD	
Purchases for District Use - USE TAX								
Purchases Online or retail such as Soil Stewardship Materials, Books, Signs, Software, monitoring supplies, ink cartridges, portable toilet rentals, anything used by Dist. also, Tax on Shipping and handling					X		On Cost Unless Tax Charged By Vendor	
Parts for Weed Badgers, Vehicles, Tractors, Fabric Machines Copy Machines, Irrigation Monitoring Equipment, trailers Computer Printers, Software, etc. Office Supplies					X		On Cost Unless Tax Charged By Vendor	
Purchases of new Vehicle, Weed Badger, Fabric Machines, Trailers, UTV, ATV, Tree Planters, Office Equipment					X		On Cost Unless Tax Charged By Vendor	
Purchase of any used vehicles, weed badgers, fabric machines, tree planters, UTV, ATV, Trailers, or Equipment used by District.					X		On Cost Unless Tax Charged By Vendor	
Vehicle Registration (License Plates)		X					Dept. of Motor Vehicles	
Trees Donated by the District					X		On Cost	
Trees that did not sell (died or thrown away)		X					No Tax Due	
**TREE ENHANCEMENTS include: Tree tubes, stakes, fabric mulch, feeds, seeds, herbicides, fertilizer, etc.								
USE TAX - Paid by the SWCD on Trees the SWCD plants, Tree Accessories, irrigation equipment, and other equipment								
Is Use Tax based on the SWCD cost or retail price?								Use tax is on Cost

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LABOR - the cost of labor for things like planting charges, installing tubes, installing fabric mulch, weed badgering, seeding, monitoring irrigation equipment, checking rainfall, dead animal pickup, driving tractor, etc. is not taxable.		X					Nontaxable
SALES TAX FORMS FILED ON LINE							
How to record and pay USE TAX							Use Tax is a line item on the sales tax return.
ST3 CERTIFICATES OF EXEMPTION							
Landowners who claim Exemption under Conservation Reserve Program or other program Complete and return to the SWCD							Use H. Agricultural Production as the reason on ST-3
SWCD Resale Exemption Purchases Complete and send to the Retailers from whom you are making the purchases.							Use G. Resale as the reason on ST-3
Seeds and trees purchased by farmers for use on land that is part of the Conservation Reserve Program or other specifically enumerated government program are exempted under MN Statutes, section 297A.25, sub. 9. The farmer must purchase the items separately from the planting contract.							