



# TAX EXEMPTION *for* FARM SOLAR



California State Board of Equalization

# GEORGE RUNNER

VICE CHAIR, 1<sup>ST</sup> DISTRICT  
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Did you know that California's Sales and Use Tax Law provides an exemption from the state portion of the sales and use taxes for purchases of farm equipment and machinery that is used primarily for qualified agricultural activities? This tax exemption can help you save money.

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# Solar Equipment Now Eligible

For years, the State of California has provided a tax exemption for farmers who generate their own electricity with equipment and machinery used primarily in producing and harvesting agricultural products. The Board of Equalization has recently clarified that solar energy systems may qualify for this exemption even if the electricity generated first goes to the electrical grid before being used in qualified agricultural activities. Prior to this clarification, farmers may have been mistakenly advised that they could receive the exemption for purchases of diesel generators, but not for solar energy systems that connected directly to the grid.

**Now**, farmers who purchase a solar electricity generating system are being clearly advised that they can benefit from this important tax exemption for any solar energy system that is specifically designed to provide power to qualified farm equipment and machinery.

Learn more at  
[www.boe.ca.gov/solar](http://www.boe.ca.gov/solar)



Sensible tax policies can help farmers and other California businesses succeed during challenging economic times. Please call or mail back the card below for more information or to learn how to qualify for this tax exemption.

**Yes, I would like more information about this solar tax exemption.**

First Name

Last Name

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City/State/Zip

Daytime Phone

Email

Cut this card on the dotted line, attach postage and mail. Privacy Statement: Your contact info will not be shared. It will only be used to periodically inform you of important policy issues.



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