

Form REG-8

Application for Farmer Tax Exemption Permit

For DRS Use Only		
Connecticut Tax Registration Number		
▶		
Approved	Denied	TPS #

Complete in blue or black ink only. Read the instructions before completing this application.

Name of applicant (sole proprietor, partnership, corporation, or LLC)			Social Security Number (SSN) ____ : ____ : ____		
Spouse's first name and middle initial		Last name (if joint application)	Spouse's SSN (if joint) ____ : ____ : ____		
Address Number and street		PO Box	Federal Employer ID Number (FEIN)		
City, town, or post office		State	ZIP code	Telephone number ()	
Farm name			Check one: <input type="checkbox"/> New applicant <input type="checkbox"/> Renewal		
Farm location Street address Town			<input type="checkbox"/> Purchased existing farm		
			<input type="checkbox"/> Changed business structure		
			<input type="checkbox"/> Start-up farmer (See instructions.)		

Check one:

- | | | |
|---|--|---|
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> Single member LLC (SMLLC) | <input type="checkbox"/> Corporation |
| <input type="checkbox"/> General partnership | <input type="checkbox"/> Single member LLC taxed as a corporation | <input type="checkbox"/> S Corporation |
| <input type="checkbox"/> Limited liability partnership (LLP) | <input type="checkbox"/> Single member LLC taxed as an S corporation | <input type="checkbox"/> Qualified subchapter S subsidiary (QSSS) |
| <input type="checkbox"/> Limited partnership (LP) | <input type="checkbox"/> Limited liability company (LLC) taxed as a partnership | |
| <input type="checkbox"/> Limited partnership taxed as a corporation | <input type="checkbox"/> Limited liability company (LLC) taxed as a corporation | |
| | <input type="checkbox"/> Limited liability company (LLC) taxed as an S corporation | |
| | <input type="checkbox"/> Other (explain): _____ | |

1. Were you engaged in agricultural production as a trade or business during the preceding taxable year? See instructions. <input type="checkbox"/> Yes <input type="checkbox"/> No	2. Farmland ownership: Check one. <input type="checkbox"/> Own <input type="checkbox"/> Lease <input type="checkbox"/> Own part and lease part
3. Total acreage of farm: _____ Total acres you used in agricultural production during the preceding taxable year: _____	4. What farm products including livestock did you produce during the preceding taxable year? See instructions. _____ _____ _____
5. What farm products including livestock will you produce during the next two years? See Instructions. _____ _____ _____	6. Have you been issued a Sales and Use Tax Permit by the Department of Revenue Services (DRS)? <input type="checkbox"/> Yes <input type="checkbox"/> No
7. Do you have employees? <input type="checkbox"/> Yes <input type="checkbox"/> No	8. If you answered Yes to 6 or 7, enter your Connecticut Tax Registration Number. _____ Do not enter Farmer Tax Exemption Permit Number or FEIN.

9. State the gross income you derived solely from agricultural production as reported on your federal income tax return. See instructions.	In 20 ____	9a.	\$	00
	In 20 ____	9b.	\$	00
Total: Add Lines 9a and 9b.		9c.	\$	00
Average: Divide Line 9c by 2.		9d.	\$	00

10. If the amount entered on Line 9b or Line 9d is less than \$2,500, but you qualify because you purchased an existing agricultural business in the current or immediately preceding taxable year, enter the following information. See instructions.

Seller's name	Seller's Farmer Tax Exemption Permit Number
---------------	---

Declaration: I declare under penalty of law that I have examined this application (including any accompanying schedules and statements) and, to the best of my knowledge and belief, it is true, complete, and correct. I understand the penalty for willfully delivering a false return or document to DRS is a fine of not more than \$5,000, imprisonment for not more than five years, or both. The declaration of a paid preparer other than the taxpayer is based on all information of which the preparer has any knowledge.

Sign Here Keep a copy of this application for your records.	Signature of owner, partner, LLC member, or corporate officer	Date
	Email address	

Section 2

Detail of Farm Income Reported on Federal Schedule C (Form 1040)

If you report farm income on federal Schedule C (Form 1040), Profit or Loss From Business (Sole Proprietorship), you must provide detailed information about your sales and expenses and complete the sections below.

A.	How much of the income reported on Schedule C, Part 1, Line 1, is from agricultural production?	\$	00
B.	List the agricultural products you raised, the agricultural services you provided, and the gross income from each. The total should equal the amount reported on Line A above. Attach additional sheets if necessary.		
	Product or Service	Gross Income	
1.		\$	00
2.		\$	00
3.		\$	00
4.		\$	00
5.		\$	00
6.		\$	00
7.		\$	00
8.		\$	00
	Total: Add Lines 1 through 8.	\$	00
C.	If any products listed in B were purchased for resale, for example, seedlings or calves, list the products below and indicate the length of time you raised each of them prior to its sale. Attach additional sheets if necessary.		
	Product Purchased for Resale	Length of Time Raised	
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			

Attachments (This does not apply to start-up farmers.)

You **must** attach signed copies of the following pages from your most recently filed federal tax return to your application:

- Federal Form 1040, U.S. Individual Income Tax Return, Page 1 and Page 2; federal Form 1041, U.S. Income Tax Returns for Estates and Trusts; Form 1065, U.S. Return of Partnership Income; Form 1120, U.S. Corporation Income Tax Return; or Form 1120S, U.S. Income Tax Return for an S Corporation, Page 1; **and**
- Federal Form 4835, Farm Rental Income and Expenses, Schedule F (Form 1040), Profit or Loss From Farming, or Schedule C (Form 1040). Applicants who are not required to file federal Form 1040 must also submit the same information as would be reported on Schedule C or Schedule F even though they are not required to file those schedules for federal tax purposes.

Important Information for Start-Up Farmers

Conn. Gen. Stat. §12-412(63)(E) allows a start-up farmer to receive an exemption permit if:

- You intend to carry on agricultural production for at least two years;
- Your gross income from farming will be at least \$2,500 in the second year or an average of \$2,500 per year for both years; **and**
- Your gross expenses from farming will be at least \$2,500 in the second year or an average of \$2,500 per year for both years.

You must pay use tax on all purchases made using an exemption permit if you do not meet these conditions. See **Informational Publication 2010(16)**, *Farmer's Guide to Sales and Use Taxes, Motor Vehicle Fuels Tax, Estimated Income Tax, and Withholding Tax*.

General Instructions

If you engage in agricultural production as a trade or business, use **Form REG-8**, *Application for Farmer Tax Exemption Permit*, to request a Farmer Tax Exemption Permit. The Farmer Tax Exemption Permit allows a farmer to purchase tangible personal property and motor vehicle fuels used exclusively in the agricultural production process without paying Connecticut sales and use taxes and motor vehicle fuels excise tax.

If you are applying as a **start-up farmer**, read the *Important Information for Start-Up Farmers* above.

A Farmer Tax Exemption Permit is valid for up to two years depending on the application date. An exemption permit issued October 1, 2014, or later, is valid until September 30, 2016.

The Department of Revenue Services (DRS) will issue a Farmer Tax Exemption Permit if you meet all three of the following conditions:

1. You are engaged in agricultural production as a trade or business. To be engaged in agricultural production as a trade or business, you must materially participate in the activity with a profit motive;
2. For federal income tax purposes, you reported gross income of \$2,500 or more from agricultural production:
 - For the preceding taxable year; **or**
 - On average for the preceding two taxable years.

This gross income is generally reported on federal Form 4835, Schedule C (Form 1040), or Schedule F (Form 1040). An applicant must submit the same information as would be reported on Schedule F even though it is not required to file a Schedule F for federal income tax purposes. See instructions for Line 9 on Page 4; **and**

3. You **must** attach copies of the required pages of your federal income tax return and schedules. See the table on Page 4 for guidance on which year's return to submit with the application. Failure to attach the required documents may delay the processing of the application.

- Individuals must furnish signed copies of federal Form 1040, Pages 1 and 2, and the specified federal income tax return schedules, for example, Form 4835, Schedule C (Form 1040) or Schedule F (Form 1040). A husband and wife who file a joint federal income tax return can submit a joint Form REG-8. Both must enter and sign their names on the application.
- If you reported farm income on a federal Schedule C, you must complete *Section 2, Detail of Farm Income Reported on Federal Schedule C (Form 1040)*, on Page 2 of this application.
- Fiduciaries of estates or trusts must furnish signed copies of federal Form 1041, Page 1 and any federal income tax return schedules that detail the income and expenses, for example, Form 4835, Schedule C (Form 1040) or Schedule F (Form 1040). If the fiduciaries submitted the pro forma Schedule C complete Section 2 on Page 2 of this application.
- Partnerships must furnish signed copies of federal Form 1065, Page 1 and the specified federal income tax return schedules that detail the income and expenses, for example, Form 4835, Schedule C (Form 1040) or Schedule F (Form 1040). If the partnerships submitted the pro forma Schedule C, complete Section 2 on Page 2 of this application.
- Corporations must furnish a signed copy of federal Form 1120 or 1120S, Page 1. In addition, a corporation must also submit the same information as would be reported on federal Form 4835, Schedule C (Form 1040) or Schedule F (Form 1040), even though it is not required to file a Schedule C or Schedule F for federal income tax purposes. The items reported must correspond with what was reported on the corporation's Form 1120 or 1120S. If the corporations submitted the pro forma Schedule C, complete Section 2 on Page 2 of this application.

Calendar Year Filers	
If you apply:	You must submit:
After April 15, 2014, but before April 15, 2015	2013 federal return or 2014 federal return if filed with the IRS.
After April 15, 2015	2014 federal return

Fiscal Year Filers	
If your fiscal year ends:	You must submit:
January to March 2014	2013 federal return
April to November 2014	2013 federal return
January to March 2015	2014 federal return

Line Instructions

If you are applying for a permit as a start-up farmer, answer only those questions that are applicable. Enter **None** if the question asks for information about a year when you were not engaged in agricultural production as a trade or business.

Line 1

Check **Yes** if you are engaged in one of the following as a trade or business:

- Raising and harvesting any agricultural or horticultural commodity;
- Dairy farming;
- Forestry. However, persons who purchase standing timber or who cut timber and resell the logs to a mill are not considered to be engaged in agricultural production;
- Raising livestock (including horses), bees, poultry, fur-bearing animals, or wildlife;
- Raising and harvesting fish, oysters, clams, mussels, or other molluscan shellfish; **or**
- Boarding horses.

Line 4 and Line 5

Describe in detail the farm products produced by you for sale. For example, a dairy farmer who owns milk cows should list milk as the product. A vegetable farmer should list the specific vegetable(s) grown for sale.

Products purchased by you for resale, for example, cut flowers and plants, are not agricultural products produced by you in agricultural production.

Line 9

The amount on Line 9b is generally the amount reported either on federal Form 1040, Schedule F, Line 2b or on federal Form 1040, Schedule C, Line 1. Persons filing Schedule F who are accrual basis taxpayers report the amount entered on Schedule F, Line 37b. If you are in the business of raising, feeding, caring for, training, or managing livestock including horses, you must enter the total gross income received from these activities. If your gross income was less than the \$2,500 requirement and your income from agricultural production reported on your federal return for the last two years averaged \$2,500, you may qualify for the exemption permit. Provide your gross income for each year only if you are using this method to qualify for the exemption permit.

Use the chart to the left to determine which income years you should list on Line 9. Fill in the appropriate year.

Start-Up Farmers: Enter "0" and do not submit federal returns.

Line 10

If the gross income entered on Line 9 was less than \$2,500 and in the current or immediately preceding taxable year you purchased an agricultural trade or business from a seller who was issued a Farmer Tax Exemption Permit at the time of the purchase, enter the seller's name and Farmer Tax Exemption Permit number.

Sales and Use Tax Permit Required

A farmer selling goods must register for a Sales and Use Tax Permit and collect sales tax on the taxable sales. Taxable goods commonly sold by farmers include plants, certain seeds, hay, feed, mulch, fertilizer including manure, livestock, poultry, rabbits, living or cut Christmas trees, wreaths, decorated or carved pumpkins, and flowers.

Horse Farms

A farmer that reports income from a horse farm should indicate in Sections 2A and 2C on Page 2 whether the income is from:

- Boarding horses;
- Breeding horses;
- Selling horses;
- Commissions;
- Lessons or training;
- Pony or horse rides; **or**
- Other: Give full description.

For More Information

Call DRS during business hours, Monday through Friday, at **1-800-382-9463** (Connecticut calls outside the Greater Hartford calling area only) or **860-297-5962** (from anywhere). **TTY, TDD, and Text Telephone users** may transmit inquiries anytime by calling 860-297-4911.

Forms and Publications

Visit the DRS website at www.ct.gov/DRS to download and print Connecticut tax forms and publications.