

1 A JOINT RESOLUTION directing the Department of Revenue to evaluate and  
2 report on the cost of production of agricultural tax exemption number cards.

3 WHEREAS, agriculture is a vital economic driver in Kentucky and when  
4 agriculture thrives, the state's economy thrives. In 2020, a partnership between the  
5 Department of Revenue and Kentucky farmers was established to aid Kentucky farmers  
6 in their daily operations; and

7 WHEREAS, with the passage of Senate Bill 148 in 2020, the General Assembly  
8 granted eligible farmers a sales and use tax exemption number applicable on the purchase  
9 of certain agricultural items, allowing farmers to retain more of their hard earned funds;  
10 and

11 WHEREAS, many Kentucky farmers have benefited and continue to benefit from  
12 the successful implementation of the agricultural tax exemption program. Farmers,  
13 retailers, and buyers utilize the streamlined services operated by the Department of  
14 Revenue to self-certify, and access to a searchable database allows retailers to verify a  
15 farmer's assigned tax exemption number. However, a need has arisen for a physical tax  
16 exemption card to be issued to eligible farmers to provide ease of usage when making  
17 purchases;

18 NOW, THEREFORE,

19 ***Be it resolved by the General Assembly of the Commonwealth of Kentucky:***

20 ➔Section 1. The Department of Revenue is hereby directed to compile a report on  
21 the in-house or third-party production costs for a physical agricultural tax exemption card  
22 to be issued to all participating farmers.

23 ➔Section 2. In addition to reporting on the production costs of the physical  
24 agricultural tax exemption cards, the Department of Revenue shall include in its report  
25 implementation data from other states that issue physical agricultural tax exemption  
26 cards.

27 ➔Section 3. The Department of Revenue shall submit the report required in

- 1 Section 1 of this Resolution by December 1, 2025, to the Legislative Research
- 2 Commission for the referral to the Interim Joint Committee on Agriculture and the
- 3 Interim Joint Committee on Appropriations and Revenue.