



Vermont Sales Tax Exemption Certificate
for

**FORESTRY AND WOOD PRODUCTS MACHINERY,
REPAIR PARTS, AND ACCESSORIES**

32 V.S.A. § 9741(51)

**Form
S-3W**

Note for the **BUYER:** The buyer must read and follow all instructions on pages 3-4 prior to completing and signing.
The buyer must file the certificate with the **seller**, not the Department of Taxes.

Note for the **SELLER:** The seller must retain an exemption certificate for every exempt transaction.

Purchases of machinery listed in the instructions do not require a certificate. However, some sellers may find it useful for their records. Purchases of repair parts and specific accessories for exempt machinery do require a certificate. There should be a certificate for each specific type of exempt machinery for which you are purchasing parts. An exemption certificate that is accepted in good faith by the seller relieves the seller of liability for tax due. More information on "good faith" can be found in the instructions on page 4 of this form.

BUYER

Buyer's Name	Business Name (if applicable)	SSN or FEIN
Address		Telephone Number
City	State	ZIP Code

SELLER

Seller's Name		
Address		
City	State	ZIP Code

FORESTRY MACHINERY PARTS AND ACCESSORIES

NOTE: You must complete a certificate for parts and accessories for each type of machinery or equipment.

This exemption is only available for parts and accessories if they are used in exempt machinery or equipment.
See instructions on page 3.

Type of Machinery or Equipment Accessories	Serial Number (if applicable)	Date
List the types of parts you will be purchasing		

MULTIPLE PURCHASES Check this box if you anticipate multiple purchases of the same parts or accessories for the exempt machinery listed in this section. You do not have to submit a new exemption certificate for future purchases. However, the purchase of other parts or accessories for different exempt machinery requires a separate exemption certificate.

The exemption certificate must be renewed every three years.

(continued on next page)

Buyer's Name	SSN or FEIN
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FORESTRY MACHINERY AND EQUIPMENT

The Department of Taxes **does** require an exemption certificate be completed for the following types of accessories to forestry and wood products machinery.

Item Purchased	Serial Number (if applicable)	Price
<input type="checkbox"/> Traction enhancement devices		
<input type="checkbox"/> Tire chains		
<input type="checkbox"/> Track systems		
<input type="checkbox"/> Winch cables		

Please note that the Department of Taxes does **not** require an exemption certificate to be completed for the following types of machinery. Sales of these specific types of machinery are always exempt from sales and use tax. A seller may find it useful for you to complete an exemption certificate for their records.

Item Purchased	Serial Number (if applicable)	Price
<input type="checkbox"/> Skidder with grapple and cable		
<input type="checkbox"/> Feller buncher		
<input type="checkbox"/> Cut-to-length processor		
<input type="checkbox"/> Forwarder		
<input type="checkbox"/> Delimber		
<input type="checkbox"/> Loader slasher		
<input type="checkbox"/> Log loader		
<input type="checkbox"/> Whole-tree chipper		
<input type="checkbox"/> Stationary screening system		
<input type="checkbox"/> Firewood processor, elevator, screen		

SIGNATURE

To certify, you must read and agree by checking the boxes prior to signing.

I have read all instructions.



Signature of Buyer or Authorized Agent

Title

Date

I understand that I must pay tax owed plus interest and 100% penalty if I materially misrepresent information on this form.

The completed certificate should be given to the seller who must retain it for at least three years after any exempted sale.

FORM S-3W Instructions

Vermont Sales Tax Exemption Certificate for

Forestry and Wood Products Machinery, Repair Parts and Accessories

General Information

Please print in **BLUE** or **BLACK** ink only.

For more information on how the exemption should be applied, please see the Department of Taxes fact sheet titled “Vermont Sales and Use Tax Exemption for Forestry Machinery, Repair Parts, and Accessories” available on the Department’s website at tax.vermont.gov/sites/tax/files/documents/FS-1142.pdf.

Forest Machinery Parts and Accessories

This certificate is used to document exemption from Vermont Sales Tax for parts used for repair and specific accessories used with the machinery eligible for the forestry exemption. Only parts and accessories to be used on one of the exempt types of machinery are eligible for the exemption.

List of Exempt Accessories for Use With Exempt Forestry Machinery

Beginning May 23, 2019, the following accessories are exempt from sales tax. A certificate is required:

- Traction enhancement devices
- Tire chains
- Track systems
- Winch cables

List of Exempt Forestry Machinery

The following machinery is exempt from sales tax. No certificate is required unless a seller wishes to have it for their records. **Please note:** even if you intend to use a piece of machinery in your forestry operation, it is only exempt if it is on this list. The types of machinery exempt from sales tax are:

- Skidders with grapple and cable
- Feller bunchers
- Cut-to-length processors
- Forwarders
- Delimbers
- Loader slashers
- Log loaders
- Whole-tree chippers
- Stationary screening systems
- Firewood processors, elevators, and screens

Accepting an Exemption Certificate in Good Faith

The buyer must present to the seller an accurate and properly executed exemption certificate for the exempted sale. The responsibility is on the seller to determine if the buyer is submitting the exemption certificate in “good faith.” This requires the seller to be familiar with Vermont Sales and Use Tax law and regulations, including exemptions, that apply to the seller’s business. When the seller accepts the certificate in good faith, the seller is not liable for collecting and remitting Vermont Sales Tax. An exemption certificate is received at the time of sale in good faith when all of the following conditions are met:

- The certificate contains no statement or entry which the seller knows, or has reason to know, is false or misleading.
- The certification is on an exemption form issued by the Vermont Department of Taxes or a form with substantially identical language.
- The certificate is signed, dated, and complete (all applicable sections and fields completed).
- The property purchased is of a type ordinarily used for the stated purpose, or the exempt use is explained.

Burden of Proof

The burden of proof is on the seller to demonstrate the certificate was taken in good faith. If the seller cannot provide an exemption certificate showing that the sale was exempt, the Department will seek to collect tax from the seller. If, however, the seller can prove the buyer’s claim for the exemption was false, the Department will seek to collect the tax from the buyer.

Obtaining the Exemption Certificate

The seller must obtain an exemption certificate from the buyer either prior to or at the time of the sale. If the certificate is not available at the time of sale, the seller has 90 days after the sale to obtain a fully executed certificate, accepted in good faith.

Retaining the Exemption Certificate

Sellers must retain exemption certificates and instructions for at least three years from the date of the last sale covered by the certificate to document why tax was not collected from the buyer.
