

# ***SST D13 - Sales tax: activities in agricultural industry***



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There is an Erratum notice for this document.

This document has been finalised.



## Draft Taxation Ruling

### Sales tax: activities in agricultural industry

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## Chapter 1: What this Ruling is about

- 1.1 In Schedule 1 to the *Sales Tax (Exemptions and Classifications) Act 1992* (ST(E&C) Act) exemption from sales tax is available for certain goods, provided the goods are for use in carrying out activities 'in agricultural industry'.
- 1.2 The purpose of this Ruling is to clarify the basis for determining what are activities 'in agricultural industry' for the purposes of Schedule 1 to the ST(E&C) Act. Items 3, 4, 6, 7 and 8 in Schedule 1 are discussed in the Ruling.
- 1.3 Chapter 2 of the Ruling discusses the term 'in agricultural industry'. Chapter 3 discusses whether activities being carried out are activities in agricultural industry or activities in other industries. Chapter 4 looks at the structure of the ST(E&C) Act, examining the interaction between the Items covered in this Ruling and Item 2 in Schedule 1 to the ST(E&C) Act which covers goods for use in primary production activities. Chapter 5 discusses exemptions available to sub-contractors carrying out activities 'in agricultural industry' and also discusses whether employees in agricultural industry are entitled to exemption for goods used by them in that employment. Chapter 6 briefly discusses the tests to be applied where the law requires that goods be for use 'mainly' in relation to certain activities. Appendix A contains commentary on a range of activities that are commonly claimed to be in agricultural industry.

*Date of effect*

- 1.4 This Ruling will be effective immediately upon its release in final form. It will replace any previous public or private rulings to the extent that they are inconsistent with it. Public or private rulings that are inconsistent with this Ruling will be altered three months from the date of effect of the final Ruling. If a person will pay less tax because of this Ruling, it may be acted upon immediately on its release in final form. Nothing in this Ruling may be taken as automatically authorising a refund before the date of effect of the final Ruling. Credit claims are considered on their individual merits.
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## **Chapter 2: The term 'in agricultural industry'**

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- 2.1 The term 'in agricultural industry' is to be found in a number of Items listed in Schedule 1 to the ST(E&C) Act. Those Items are:
- Item 3 (vehicles etc., for use mainly in carrying out activities in agricultural industry);
  - Item 6 (fencing, dam-building equipment etc., for use mainly in carrying out activities in agricultural industry);
  - Item 7 (agricultural fencing, gates etc., of a kind ordinarily used in agricultural industry); and
  - Item 8 (machinery etc., for use mainly in constructing drains or ditches in agricultural industry).
- 2.2 Note that the test in Item 7 is whether goods are 'of a kind ordinarily used' in a particular industry (agricultural). It is irrelevant how, or in which industry, the goods are actually used. This is in contrast with Items 3, 6 and 8 where the test is whether the goods are used mainly in carrying out activities in a particular industry. The actual use to which the goods are put and the industry in which the activities are carried out is critical if exemption from sales tax is to be obtained.

*Definition of 'agriculture'*

- 2.3 To assist in determining whether activities are in agricultural industry, subsection 3(2) of the ST(E&C) Act defines 'agriculture' to include:
- '(a) viticulture, horticulture, pasturage, apiculture, poultry farming and dairy farming;
  - (b) other operations connected with the cultivation of the soil, the gathering in of crops and the rearing of livestock.'

## *Definition of 'livestock'*

- 2.4 'Livestock' is defined in subsection 3(2) of the ST(E&C) Act to mean:
- '(a) animals that are being reared or maintained for producing food, fibres, skins, fur, feathers or similar products, or for use in farming land; or
  - (b) breeding stock for animals covered by paragraph (a); or
  - (c) horses;
- but does not include;
- (d) fish, crustaceans or molluscs;
  - (e) animals that are kept, or are to be kept, as domestic pets.'

## *Connection of activities with agricultural industry*

- 2.5 The wording of Items 3, 6 and 8 requires that the activity carried out in agricultural industry has to be one closely connected with what is usually involved in and ordinarily associated with that industry. The connection must be real and substantial.<sup>1</sup> This may be contrasted with the wording in Item 2 in Schedule 1 to the ST(E&C) Act requiring that the activity is carried out 'in the course of a primary production business'. 'Primary production business' is defined in subitem 2(4) and includes a business of carrying on agriculture.

## *Activities in agricultural industry*

- 2.6 Not all activities carried out on agricultural properties, or carried out for or by persons engaged in agricultural industry are activities in agricultural industry.
- 2.7 Satisfaction of each of the following tests indicates that the activity is one in agricultural industry if it is:
- agricultural by its very nature;
  - in the nature of a day to day, hands on, repetitive, core agricultural task;
  - a hands on agricultural activity rather than simply advice;
  - undertaken essentially for, and at the request of, an agriculturalist and for the main benefit of the agriculturalist; and
  - involved in an agricultural interest that is a business and not merely a hobby or pastime.
- 2.8 On the other hand, the activity is not in agricultural industry if it is:
- more correctly described as an activity of another industry; or
  - more to do with establishing the infrastructure of an agricultural operation rather than to do with the actual agricultural activities themselves.

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<sup>1</sup> Proserpine Co-operative Sugar Milling Association v. FC of T 96 ATC 5016 at 5019-5020

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## **Chapter 3: Agricultural activities or activities of other industries?**

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- 3.1 Paragraph 2.8 above refers to an activity that is more correctly described as an activity of another industry. This Chapter looks at some activities that might properly be characterised as being involved in some other industry even though performed on behalf of, or by, a primary producer. The main industries this Chapter looks at are:
- manufacture;
  - transport;
  - construction;
  - services; and
  - forestry.
- 3.2 It can be a question of degree and depend greatly on the facts involved whether an activity falls within the agricultural industry or another industry.

### *Manufacture*

- 3.3 To assist in distinguishing activities in agricultural industry and activities in manufacturing industry it is useful to look at the type of product being produced and the treatment used to produce it. A distinction can be drawn between activities to produce agricultural products and activities to manufacture goods out of agricultural products. That is, the treatment of an agricultural product may result in an article that is no longer an agricultural product.<sup>2</sup>
- 3.4 An example is the manufacture of butter. If a butter-making factory purchases cream from a number of sources and manufactures butter, two industries are involved - the dairy farming industry and the butter-making industry. The agricultural product from the use of the land is milk. The butter-making industry, which uses cream from the milk to manufacture another product, being butter, is a different and independent industry. Activities that are more closely connected with the manufacture of butter than with the production of raw milk by the dairy farmer are activities in the manufacturing industry.
- 3.5 Another example is the sugar cane farming industry and the sugar milling industry. The agricultural product is the harvested crop which is cut sugar cane. The treatment of the cut sugar cane as raw material by the sugar mill leads to a finished article that cannot be regarded as a product of the use of the land to which the raw

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<sup>2</sup> The Producers' Co-operative Distributing Society Limited v. The Commissioner of Taxation (1947) 75 CLR 134

material owes its origin. The finished articles in this case are refined sugar and other associated sugar products. Activities more closely connected with the transport of the cut sugar cane from the farm to the mill are activities in the manufacturing industry.<sup>3</sup>

- 3.6 A third example is the grape growing industry and the wine-making industry. The agricultural product is generally grapes. The treatment of the grapes as raw material by the wine-making industry produces goods that are no longer an agricultural product.<sup>4</sup> Activities beyond the harvesting of the grapes are more closely identified with the wine-making industry.
- 3.7 Transporting, delivering and dumping fertilisers on primary production properties are activities associated with the process of transport, distribution and delivery of the goods and are not sufficiently connected with a primary agricultural activity such as cultivation of the soil.<sup>5</sup> They have a closer connection with the fertiliser manufacturing industry than with the agricultural industry.
- 3.8 Transporting stock-feed to primary production properties is part of the manufacture, distribution and delivery of stock-feed, and is not sufficiently connected to the rearing of livestock to be considered an activity in agricultural industry.<sup>6</sup>

## *Transport*

- 3.9 In paragraphs 3.3 to 3.8 the transport of raw material inputs (fertiliser or stock feed in the examples given) or the agricultural product outputs (raw milk, cut sugar cane or grapes in the examples given) are more closely connected with the relevant manufacturing industry than with agricultural industry.
- 3.10 There may also be occasions where the transport of raw materials, goods or people may be seen to be more closely connected and identifiable with the transport industry than with either the manufacturing or agricultural industries.
- 3.11 The transportation of livestock by a trucking operator between various properties for the purpose of assisting the grazier in breeding and raising livestock is an activity in agricultural industry. However, the transportation of livestock by a trucking operator to the saleyards is an activity by the trucking operator in the transport industry or may even be an activity in the manufacturing industry if the animals are destined for the abattoirs. It is not an activity in agricultural industry.
- 3.12 Similar considerations apply to the transportation of grain from on-farm silos to storage depots.
- 3.13 An orchardist who picks up fruit pickers from accommodation centres and transports them between orchards on the one property, on adjacent properties or even on properties that are not adjacent, is carrying out an activity closely connected with the gathering in of the crop. The activity is in the agricultural industry.

<sup>3</sup> Proserpine Co-operative Sugar Milling Association v. FC of T 96 ATC 5016

<sup>4</sup> G Gramp & Sons Limited v. The Commissioner of Taxation (1965) 115 CLR 170

<sup>5</sup> Rylane Pty Ltd and Collector of Customs (AAT 26 August 1994, Ref No. W94/26 unreported)

<sup>6</sup> Collector of Customs v. Pozzolanic Enterprises Pty Ltd 115 ALR 1

- 3.14 However, a bus operator who carries out a similar service for an orchardist or group of orchardists is carrying out activities that are more closely connected with the transport industry than with agricultural industry.

### *Construction*

- 3.15 Construction of goods or buildings on a primary production property may be an activity in the construction industry. To qualify for exemption under Item 3 an activity carried out under the description of construction requires a close connection with the primary agricultural activities. In most instances, construction activities do not hold such a connection.
- 3.16 The fact that a contractor provides a service of construction for a person in agricultural industry does not mean the contractor is identified as being a part of the agricultural industry or carrying out activities in agricultural industry. This is more evident when the construction contractor carries out work of a similar nature for several industries including agriculture, but would equally apply if the construction contractor carried out work solely for persons in agricultural industry.
- 3.17 An example is the construction of a shed by a contractor. The tasks associated with building a shed for a primary producer or for a local wrecker's yard are the same. The activity is one carried out in the shed building business/industry.
- 3.18 Another example is the construction of a primary producer's home or employee's accommodation. The construction of these structures is removed from the primary agricultural activity.
- 3.19 Other examples of construction activities that are not closely connected to agriculture are the construction of windmills, sheds, sinking bores, fencing etc.
- 3.20 Construction activities may also include the erection or installation of machinery, implements and apparatus that are fixtures, that is, they have been attached permanently to the ground. They are, therefore, no longer goods, or they have been built on-site and therefore have never been goods in their own right.
- 3.21 Where construction work is carried out on a primary producer's property, there may be some connection with agriculture but only to the extent of an activity ancillary to the primary activities. This connection is not sufficient to regard the activity as being one in agricultural industry for the purposes of Items 3 to 17 of Schedule 1 to the ST(E&C) Act.<sup>7</sup>
- 3.22 Item 8 in Schedule 1 to the ST(E&C) Act provides exemption for goods such as machinery, implements or apparatus for use by a person mainly in constructing drains or ditches in agricultural industry. Item 6 provides exemption for specified goods including fencing tools and earthmoving equipment for use by a person mainly in carrying out activities in agricultural industry.
- 3.23 Persons in the fence or dam building industry are not able to claim exemption under those Items as they are in the construction industry. It is only the farmer who may claim exemption for the specified goods under those Items. Subcontractors to

<sup>7</sup> Proserpine Co-operative Sugar Milling Association v. FC of T 96 ATC 5016 at 5020



farmers are not entitled to claim exemption for the goods under Item 36 as that Item does not cover Items 6 and 8.

## *Services*

- 3.24 Businesses and professions providing services to primary producers have been built up around the agricultural industry. Some activities provided by these service providers are so closely connected with the agricultural industry that they are accepted as being activities in that industry. Others are no more than activities carried out in the relevant service industry.
- 3.25 Services provided primarily away from the primary producer's property are not activities in agricultural industry. Services provided on a primary producer's property need to be examined to determine whether they bear the required close connection to the agricultural industry. Some of the more common services provided to primary producers are considered in the following paragraphs.

## **Accounting**

- 3.26 Book-keeping and financial services, whether carried out on-farm or off-farm are not activities in agricultural industry as they do not demonstrate a close connection with the definition of 'agriculture'. Even if accountants or financial advisers provide their services exclusively to agriculturalists, they are not carrying out activities in agricultural industry.

## **Agronomy**

- 3.27 Services provided by an agronomist on-farm are in agricultural industry. As the services provided are closely connected with the cultivation of soil and the gathering in of crops, there is a sufficiently close connection with the definition of 'agriculture'.
- 3.28 Activities carried out by an agronomist off-farm, for example crop research in a research laboratory, are considered to be activities in the scientific research industry.

## **Veterinary**

- 3.29 Services provided by a veterinarian, where the service is carried out on a primary producer's property, are regarded as activities in agricultural industry. Examples of some of the services provided by a veterinarian that are in agricultural industry are:
- testing livestock;
  - giving medication to livestock; and
  - assisting with the birth of livestock.

In these examples the services are closely connected with the breeding and rearing of livestock.

- 3.30 Activities carried out by a veterinarian off-farm, for example in a clinic or in an animal research facility, are considered to be activities in either the health and community services or scientific research industries.

**Crop spraying, dusting and fertilising; pest extermination**

- 3.31 Crop sprayers or dusters (aerial or otherwise) who spray or dust chemicals to combat insects or diseases that may damage crops are carrying out activities in agricultural industry. This also applies to pest exterminators who carry out large scale baiting for rodent or rabbit control but does not include general pest exterminators.

**Hunting and Trapping**

- 3.32 These activities are usually carried out by professional shooters or trappers who seek areas where they may hunt and trap to obtain meat, skins and hides for their own benefit and not for the purpose of providing a service of pest control. The activity is not one in agricultural industry as the main purpose is not to control or exterminate pests but is for the hunter/trapper's personal or commercial benefit. Pest control is only a consequential result. The activity falls within the hunting and trapping industry or may be a hobby or pastime if it is not in the course of a business. Even in situations where meat, skins or hides are not retained by the shooter or trapper, the activity remains outside the agricultural industry.

**Crop harvesting, fruit picking and shearing**

- 3.33 Activities to harvest crops, mechanically or otherwise, to pick and gather in fruit or vegetables and to shear animals for their fleece or hair are activities in agricultural industry.

**Mustering and droving**

- 3.34 Mustering (including aerial mustering) is an activity in agricultural industry. Droving livestock along public roads or stock routes between properties of a farmer or grazier; to move livestock to agistment; or to sustain livestock in times of drought on the property of the farmer or grazier (the long paddock), is an activity in agricultural industry. Droving livestock along public roads or stock routes to move livestock to saleyards is not an activity in agricultural industry.

**Land clearing, ripping, levelling and ploughing**

- 3.35 Persons who clear and prepare land (including virgin land) in readiness for crop or pasture planting are carrying out activities in agricultural industry. This includes land levelling by means of laser systems.<sup>8</sup>

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<sup>8</sup> See Taxation Ruling ST 2102 - *Laser systems*

## *Forestry*

- 3.36 For forestry activities carried out in agricultural industry, see Sales Tax Determination STD 97/3.

## *Fishing and pearling*

- 3.37 While fishing (including fish farming) and pearling are primary production activities for sales tax purposes, they do not come within the meaning of 'agriculture'. Therefore, Items 3, 6 and 8 have no application to persons engaged in those activities.

## *List of activities*

- 3.38 A list of activities that are commonly claimed to be in agricultural industry is at Appendix A. Commentary is provided as to whether those activities are or are not in agricultural industry.

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## Chapter 4: Structure of the Act

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- 4.1 Schedule 1 to the ST(E&C) Act is structured so that users can readily identify the exemption Items most often used or relevant to their business. Chapter 1 groups together 'Goods for use in business or industry' - with sub-chapter 1.1 covering 'Mining and primary production'. Exemption for goods used as business inputs in a business of primary production is principally to be found in Item 2.
- 4.2 However, not all goods used in conducting a business of primary production attract sales tax exemption. Subitem 2(3) in Schedule 1 to the ST(E&C) Act excludes certain items:
- (a) generally-excluded property (as defined by section 12);
  - (b) a general-purpose road vehicle (GPRV)<sup>9</sup>, unless it is for use exclusively:
    - (i) within premises controlled by the exemption user and used by the exemption user mainly in carrying out one or more activities covered by subitem(1); or
    - (ii) in going between adjacent premises covered by subparagraph (i); or
    - (iii) for a combination of both:

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<sup>9</sup> Definition of 'GPRV' - see subsection 3(2) of the STAA

- (c) goods for use mainly in connection with administrative activities (other than activities covered by paragraph (1)(b) or (c).
- 4.3 The ST(E&C) Act does not provide sales tax concessions for goods such as:
- GPRVs used on public roads;
  - luxury motor vehicles covered by Item 1 in Schedule 6 (other than vehicles known as four-wheel drive vehicles);
  - property for use mainly in connection with domestic or staff amenities;
  - construction equipment for use mainly in connection with the construction of buildings or other structures;
  - property that forms or is to form part of the infrastructure of a telecommunications network; or
  - goods for use mainly in connection with administrative activities associated with the primary activity.
- 4.4 If the Act did intend to confer such a benefit, it would have been stated. Item 2 provides the basic framework for obtaining exemption for goods in the course of a primary production business and Items 3 to 17 are specific extensions to this framework.
- 4.5 Goods that fall within the exclusion set out in subitem 2(3) are therefore not exempt. Exceptions only prevail when specific Items covering specific goods exist.
- 4.6 As stated in paragraph 1.2, this Ruling is concerned with Items 3, 4, 6 and 8. The paragraphs set out below make reference solely to Items 3, 4, 6 and 8 in Schedule 1 to the ST(E&C) Act and their connection with Item 2.

*Generally-excluded property - construction equipment*

- 4.7 Construction equipment for use mainly (i.e., more than 50%) in connection with the construction of buildings or other structures is excluded from exemption under Item 2 by section 12 of the ST(E&C) Act. The exceptions are goods falling within Items 6 and 8 to the extent expressed in the relevant Item.
- 4.8 Under Item 6, sales tax exemption can be obtained on the following construction equipment for use mainly in carrying out activities in agricultural industry:
- (a) fencing tools;
  - (b) road ploughs and road scarifiers;
  - (c) earthmoving scoops; and
  - (d) soil packers and soil pulverisers.
- 4.9 Under Item 8, machinery, implements or apparatus for use mainly in constructing drains or ditches in agricultural industry are specifically exempted from sales tax.
- 4.10 A primary producer is not otherwise entitled to exemption from sales tax on construction equipment even if it is used mainly in agricultural industry.

## *Road vehicles used in carrying out activities in agricultural industry*

- 4.11 Once it is decided that the activity being carried out is one that is 'in agricultural industry', it does not follow that all vehicles used in carrying out that activity are entitled to sales tax exemption.
- 4.12 Under subitem 2(3), GPRVs are excluded unless they are for use exclusively:
- (i) within premises controlled by the exemption user and used by the exemption user mainly in carrying out one or more activities covered by subitem(1); or
  - (ii) in going between adjacent premises covered by subparagraph (i); or
  - (iii) for a combination of both.
- 4.13 If the vehicle used to carry out activities in agricultural industry is a GPRV but is not exclusively used as set out in subitem 2(3) it may still qualify for exemption from sales tax if it is one described in Item 3.
- 4.14 The vehicles specified in Item 3 are:
- motor vehicles known as four-wheel drive vehicles with a body type of jeep, platform, pick-up or utility;
  - motor cycles having a heavy duty rear carrier, high front mudguard clearance, and no passenger footrests or seat strap;
  - trailers and similar vehicles (but not motor vehicles or semi-trailers); and
  - livestock carriers designed for use with vehicles.
- 4.15 These vehicles only need to satisfy the 'mainly' test, that is more than 50% use, which is less rigorous than the exclusive use requirement in subitem 2(3).
- 4.16 Where a vehicle specified in Item 3 is used by a person carrying out activities in agricultural industry (say a farmer, shearer, fruit picker or agronomist), use by that person to travel between properties or from accommodation centres to a property is a use in agricultural industry. It is not a qualifying use if the person uses the vehicle for private or domestic purposes or uses the vehicle in another industry.
- 4.17 Item 4 allows exemption for certain types of heavy motor vehicles for transporting livestock in remote areas. The vehicle has to be 'exclusively' used in remote areas and 'mainly' used for transporting livestock.
- 4.18 Items 3 to 17 operate independently of other Items in Chapter 1 in Schedule 1 to the ST(E&C) Act. This means that a vehicle specified in Item 3 and used mainly by a person to transport the person or goods to construct a fence, dam, etc., does not qualify for exemption under Item 3. Item 6 only exempts specific goods to be used in the construction of a fence, dam, etc., and does not cover motor vehicles. As indicated in paragraph 3.23, the construction of a fence, dam, etc., is not accepted as an activity in agricultural industry.
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*Subcontractor*

- 5.1 Exemption under Items 3, 4, 6, 7 and 8 is limited to persons carrying out activities in agricultural industry. It does not extend to subcontractors to those persons.
- 5.2 The law does make special provision for subcontractors who undertake certain production related activities for others. These are contained in Item 36 in Schedule 1 to the ST(E&C) Act. However, subcontractors are not entitled to exemption under Item 36 in respect of goods for use in activities carried out under Items 3, 4, 6 and 8 because Item 36 does not apply to activities covered by those exemption Items.

*Employee*

- 5.3 Employees of a person carrying out activities in agricultural industry may provide, or be required to provide, their own goods, e.g., a motor vehicle, tools etc., to enable them to carry out the requirements of their employment.
- 5.4 Employees are not entitled to exemption from sales tax on goods used in that employment. Employees are not using the goods to carry out activities in agricultural industry. They are not engaged in any organised commercial activity that might be identified as part of the agricultural industry. Rather, they are using the goods to carry out activities in the course of their employment in the industry in which the employer is participating. Goods that attract exemption from sales tax are those goods used by persons whose activities are part of agricultural industry.
- 5.5 While employees may physically carry out tasks delegated to them by an employer and may use eligible goods to help carry out those tasks, the activity represented by those tasks is an activity of the employer. Responsibility for the activity, including its outcomes and consequences, remains with the employer.

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**Chapter 6: Goods for use 'mainly' in certain activities**

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- 6.1 In most instances, even if goods are used in activities that are carried out in agricultural industry, exemption from sales tax may not be available for those goods. A number of Items include a test requiring that the goods must be for use in a specific way or for certain periods of time. The majority of the exemption Items include a 'mainly' test.
- 6.2 'Mainly' is defined in subsection 3(2) of the ST(E&C) Act to mean 'to the extent of more than 50%'.

6.3 In relation to vehicles:

- for a GPRV to qualify for exemption under Item 2, it has to be for use 'exclusively' in the manner set out in that Item. That is, it would have to satisfy the tests set out in subitem 2(3);
- for a vehicle to qualify for exemption under Item 3, it has to satisfy the 'mainly' test. This test is less rigorous than the 'exclusively' used test in that the 'mainly' test only requires more than 50% use in carrying out activities in agricultural industry; and
- for a heavy motor vehicle to qualify for exemption under Item 4, it has to be for use 'exclusively' in remote areas and 'mainly' in transporting livestock.

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## Chapter 7: Your comments

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7.1 If you wish to comment on this draft Ruling, please send your comments by 17 April 1998 to:

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**Commissioner of Taxation**

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*legislative references*

- ST(E&C) Subsection 3(2)
- ST(E&C) Subitem 2(3)
- ST(E&C) Subitem 2(4)
- ST(E&C) Item 2 Schedule 1
- ST(E&C) Item 3 Schedule 1
- ST(E&C) Item 4 Schedule 1
- ST(E&C) Item 6 Schedule 1
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- ST(E&C) Item 12 Schedule 1
- ST(E&C) Item 13 Schedule 1
- ST(E&C) Item 14 Schedule 1
- ST(E&C) Item 15 Schedule 1
- ST(E&C) Item 16 Schedule 1
- ST(E&C) Item 17 Schedule 1
- ST(E&C) Item 36 Schedule 1

*Related rulings:*

- STD 97/3
- ST 2102

*case references*

- Proserpine Co-operative Sugar Milling Association v. FC of T 96 ATC 5016
- The Producers' Co-operative Distributing Society Limited v. The Commissioner of Taxation (1947) 75 CLR 134
- G Gramp & Sons Limited v. The Commissioner of Taxation (1965) 115 CLR 170
- Rylane Pty Ltd and Collector of Customs (AAT 26 August 1994, Ref No. W94/26 unreported)
- Collector of Customs v. Pozzolanic Enterprises Pty Ltd 115 ALR 1



**SST D13****Appendix A: Table of Activities**

Note: The list of activities in the Table is not exhaustive.

<b>Class of Activity</b>	<b>Agricultural Activities</b>	<b>Not Agricultural Activities</b>
<b>Horticulture and Fruit Growing</b>	Apple and pear growing Bulb propagating Cut flowers Flower growing Flower seed growing Fruit tree nursery operation Grape drying Grape growing Herb growing Kiwi fruit growing Ornamental plant growing Plant nurseries Seedling growing Stone fruit growing Turf growing Vegetable growing Vine stock nursery operation	Activities associated with making products from the harvest. The activities are in the relevant food or floral products manufacturing industry.  Activities associated with transporting the agricultural product for processing.
<b>Livestock Farming Livestock Raising</b>	Dairy cattle farming Dairy goat farming Deer farming Horse farming Pig farming Poultry farming Sheep and beef cattle farming	Farming fish, crustaceans or molluscs.  Breeding animals that are kept, or are to be kept, as domestic pets; e.g., bird, cat, dog, and rabbit breeding.
<b>Grain Farming Other Crop Growing</b>	Coffee growing Fodder growing Grain growing Lavender growing Mushroom growing Pasture seed growing Sugar cane growing	Activities associated with making products from the harvest. The activities are in the relevant food or seed manufacturing industry.  Activities associated with transporting the agricultural product for processing.

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<b>Class of Activity</b>	<b>Agricultural Activities</b>	<b>Not Agricultural Activities</b>
<b>Services to Agriculture</b>	<b>Aerial crop spraying or dusting</b>	
	<b>Aerial mustering</b>	
	<b>Agronomy</b> - accepted provided the activities are carried out on a primary producer's property.	<b>Agronomy</b> - carried out off-farm or in research facilities is an activity in the scientific research industry.
		<b>Animal or pet boarding</b> - where the animal is of a kind that falls outside the definition of 'livestock'; this includes stabling of race horses, show horses, rodeo horses etc.
	<b>Artificial insemination services</b>	
	<b>Cotton ginning</b>	
	<b>Crop harvesting</b>	
		<b>Dam building, earth moving, bore sinking</b> - the activity is in the construction industry
	<b>Droving</b> to move livestock between properties of the farmer or grazier; to agistment; or on stock routes (the long paddock)	<b>Droving</b> on public roads or stock routes to move livestock to saleyards
		<b>Fencing construction</b>
	<b>Fertiliser spreading</b>	
		<b>Fishing and fish farming</b>

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<b>Class of Activity</b>	<b>Agricultural Activities</b>	<b>Not Agricultural Activities</b>
	<b>Fruit picking</b>	
		<b>Hunting and trapping</b> - kangaroos, pigs, dingos, feral animals etc.
	<b>Irrigation service</b> - provided the service is actual watering of farms.	<b>Irrigation design and installation</b> - is an activity in the construction industry.
	<b>Land clearing, ripping, levelling and ploughing</b> - only if in preparation for crop or pasture planting. May involve use of laser systems.	
	<b>Livestock dipping</b>	
	<b>Livestock transport</b> - if used to move stock between properties of farmer	<b>Livestock transport</b> - transport to saleyards is an activity in the transport industry.  Transport to abattoirs is an activity in manufacturing industry.
	<b>Mustering</b>	
		<b>Machinery repairers</b>
		<b>Pearling</b>
	<b>Pest extermination</b> - spraying of crops for insects. Laying baits for rodents, rabbits to protect crops or land.	<b>Pest extermination</b> - (general pest extermination)

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<b>Class of Activity</b>	<b>Agricultural Activities</b>	<b>Not Agricultural Activities</b>
	<b>Planting</b>	
	<b>Ploughing</b>	
		<b>Rural Merchandising</b> an activity in the retail or wholesale industry
	<b>Seed cleaning or grading -</b> provided the activity is carried out on the farm.	
	<b>Shearing - sheep &amp; goats</b>	
		<b>Shed &amp; building construction</b>
		<b>Soil testing -</b> samples taken from farm but service provided off farm and is in the scientific research industry.
	<b>Veterinary service -</b> provided the service is carried out on a primary producer's property.	<b>Veterinary service -</b> carried out in a clinic or off farm is an activity in the community and health industry.
		<b>Windmill construction</b>
	<b>Wool classing -</b> provided the activity is carried out on a primary producer's property.	<b>Wool broker and wool re-classing -</b>
<b>Forestry</b>	see STD 97/3	