


ST 2153 - SALES TAX : ANTI-BIRD NETS

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TAXATION RULING NO. ST 2153

SALES TAX : ANTI-BIRD NETS

F.O.I. EMBARGO: May be released

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F.O.I. INDEX DETAIL

REFERENCE NO:	SUBJECT REFS:	LEGISLAT. REFS:
I 1199229	ANTI-BIRD NETS	SALES TAX (EXEMPTIONS AND CLASSIFICATIONS) ACT; ITEM 13, FIRST SCHEDULE

OTHER RULINGS ON TOPIC

SALES TAX EXEMPTIONS AND CLASSIFICATIONS, PAGE 50

PREAMBLE Sub-item 13(1), First Schedule, provides for conditional exemption from sales tax for machinery, implements and apparatus for use in agricultural industry if, in the opinion of the Commissioner, they are goods of a kind used exclusively, or primarily and principally, in that industry.

FACTS 2. Anti-bird nets are used to cover vineyards, fruit trees, berries, vegetables etc. during the growth period to protect them from damage by birds. The nets are available in various forms. One net available is a knotless, flimsy synthetic netting made from a co-polypropylene base and produced by a specially designed extruding machine. It can be laid directly onto the crops without added supports and offers additional protection from birds through a reflective property which assists in scaring them away.

3. Other anti-bird nets are available in 12mm square extruded plastic mesh and 25mm square knotted heavy duty diagonal mesh. The extruded plastic square mesh is ordinarily used as a temporary seasonal protection and is draped over the crop for the duration of the growing season and then removed and stored for subsequent use. The knotted heavy duty diagonal mesh is intended for use on a semi-permanent basis and is stretched over large areas using posts and guidelines.

4. While these products may also be used by home gardeners, the majority of sales are to persons engaged in agricultural industry.

RULING 5. Anti-bird nets are goods of a kind used exclusively or primarily and principally in agricultural industry and will qualify for conditional exemption from sales tax under sub-item 13(1) when they are purchased for use in agricultural industry. The previous ruling, appearing at page 50 of the Sales Tax Exemptions and Classifications publication, that anti-bird nets are not covered by sub-item 13(1), is withdrawn. Anti-bird nets purchased for use other than in agricultural

industry remain taxable at the general rate of 20%.

COMMISSIONER OF TAXATION

7 August 1985

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