



State of Utah

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Executive Director

October 9, 2008

Name
Address
City, State Zip

RE: Exempt All Terrain Vehicle (ATV) Purchase

Dear «Name»:

The Auditing Division of the Utah State Tax Commission is currently reviewing ATVs purchased tax exempt. Our records show that on [*Purchase Date*], you purchased an ATV at [*Dealer*] and sales tax was not collected because you provided an exemption certificate claiming the agricultural producer exemption.

The agricultural producer exemption applies to tangible personal property used or consumed primarily and directly in farming operations. To qualify for the exemption, you must be engaged in "farming operations," meaning your agricultural production is a commercial venture with products intended for resale, and farm related expenses can be deducted on your tax return. The deduction of farm related expenses is evidenced by the filing of a federal Profit or Loss From Farming statement (Schedule F), a similar federal tax filing, or other related evidence.

If you review the information above and feel that you are not liable for the sales tax, please provide documentation that your farm is operated as a commercial venture by **November 10, 2008**. However, if you acknowledge that you are liable for the tax, you need to remit the tax and interest due as calculated on the ATV Summary by **November 10, 2008**. Not responding to this notice will result in an assessment of tax, interest and possible penalties in accordance with Utah laws.

For the text of the Utah Code and Administrative Rule referenced in this letter, and for answers to frequently asked questions, please refer to our website at tax.utah.gov/selfreview (select the **ATV Project** link.) Any questions or concerns can be directed to Stephen Peterson at (801) 297-4758, Matt Duke at (801) 297-4670 or Ralph Hoggan at (801) 297-4759. You can also email us at comp@utah.gov. Thank you for your prompt attention and cooperation regarding this matter.

Respectfully,

A handwritten signature in cursive script that reads "Michael Christensen".

Michael Christensen
Tax Audit Manager

Enclosures