

State Statutes Providing for Sales and Use Tax Exemptions for Manufacturing Inputs

State	Statute	Relevant Text
Alabama	Ala. Code § 40-23-62	"The storage, use, or other consumption in this state of the following tangible personal property is hereby specifically exempted from the tax imposed by this article: . . . (11) Coal or coke to be stored, used, or consumed by manufacturers, electric power companies and transportation companies for use or consumption in the production of by-products or the generation of heat or power used: a. In manufacturing tangible personal property for sale"
Alaska	No sales tax	
Arizona	A.R.S. § 42-5159	(A) "The tax levied by this article does not apply to the storage, use or consumption in this state of the following described tangible personal property: . . . (4) Tangible personal property that directly enters into and becomes an ingredient or component part of any manufactured, fabricated or processed article, substance or commodity for sale in the regular course of business . . . (39) Overhead materials or other tangible personal property that is used in performing a contract between the United States government and a manufacturer, modifier, assembler or repairer, including property used in performing a subcontract with a government contractor who is a manufacturer, modifier, assembler or repairer, to which title passes to the government under the terms of the contract or subcontract." "(B) In addition to the exemptions allowed by subsection A of this section, the following categories of tangible personal property are also exempt: (1) Machinery, or equipment, used directly in manufacturing, processing, fabricating, job printing, refining or metallurgical operations."
Arkansas	A.C.A. § 26-52-402	"(a) There is specifically exempted from the tax imposed by this chapter the following: (1)(A) Gross receipts or gross proceeds derived from the sale of tangible personal property consisting of machinery and equipment used directly in producing, manufacturing, fabricating, assembling, processing, finishing, or packaging of articles of commerce at manufacturing or processing plants or facilities in the State of Arkansas . . . (B) The machinery and equipment will be exempt under this subdivision (a)(1) if it is purchased and used to create new manufacturing or processing plants or facilities within this state or to expand existing manufacturing or processing plants or facilities within this state; (2)(A) Machinery purchased to replace existing machinery and used directly in producing, manufacturing, fabricating, assembling, processing, finishing, or packaging of articles of commerce at manufacturing or processing plants or facilities in this state will be exempt under this subdivision (a)(2) . . . (c)(1)(A) It is the intent of this section to exempt only the machinery and equipment as shall be used directly in the actual manufacturing or processing operation at any time from the initial stage when actual manufacturing or processing begins through the completion of the finished article of commerce and the packaging of the finished end product."

State	Statute	Relevant Text
California	Cal.Rev. & T.Code § 6377.1	<p>"(a) Except as provided in subdivision (e), on or after July 1, 2014, and before July 1, 2022, there are exempted from the taxes imposed by this part the gross receipts from the sale of, and the storage, use, or other consumption in this state of, any of the following: (1) Qualified tangible personal property purchased for use by a qualified person to be used primarily in any stage of the manufacturing, processing, refining, fabricating, or recycling of tangible personal property, beginning at the point any raw materials are received by the qualified person and introduced into the process and ending at the point at which the manufacturing, processing, refining, fabricating, or recycling has altered tangible personal property to its completed form, including packaging, if required . . . (3) Qualified tangible personal property purchased for use by a qualified person to be used primarily to maintain, repair, measure, or test any qualified tangible personal property described in paragraph (1) or (2). (4) Qualified tangible personal property purchased for use by a contractor purchasing that property for use in the performance of a construction contract for the qualified person, that will use that property as an integral part of the manufacturing, processing, refining, fabricating, or recycling process, or as a research or storage facility for use in connection with those processes . . . (7)(A) 'Qualified tangible personal property' includes, but is not limited to, all of the following: (i) Machinery and equipment, including component parts and contrivances such as belts, shafts, moving parts, and operating structures. (ii) Equipment or devices used or required to operate, control, regulate, or maintain the machinery, including but not limited to, computers, data-processing equipment, and computer software, together with all repair and replacement parts with a useful life of one or more years therefor, whether purchased separately or in conjunction with a complete machine and regardless of whether the machine or component parts are assembled by the qualified person or another party." "(B) "'Qualified tangible personal property' shall not include any of the following: (i) Consumables with a useful life of less than one year."</p>
Colorado	C.R.S.A. § 39-26-709	<p>"(1)(a) The following shall be exempt from taxation under the provisions of part 1 of this article: . . . (II) Except as allowed in section 39-30-106, on or after July 1, 1996, purchase of machinery or machine tools, or parts thereof, in excess of five hundred dollars to be used in Colorado directly and predominantly in manufacturing tangible personal property, for sale or profit . . ."</p>

State	Statute	Relevant Text
Connecticut	C.G.S.A. § 12-412; C.G.S.A. § 12-412i	<p>"Taxes imposed by this chapter shall not apply to the gross receipts from the sale of and the storage, use or other consumption in this state with respect to the following items: . . . (34) Machinery used in manufacturing. Sales of and the storage, use or other consumption of machinery used directly in a manufacturing production process. The word "machinery" as used in this subsection means the basic machine itself, and includes all of its component parts and contrivances, such as belts, pulleys, shafts, moving parts, operating structures and equipment or devices . . . (73) Component parts for assembly of manufacturing machinery. The sale of any part of a machine purchased exclusively for the purpose of assembling a machine for use directly in a manufacturing production process, provided the purchaser submits a certified statement at the time of such purchase . . ."; "(a) The taxes imposed by this chapter shall not apply to the percentage set forth in subsection (c) of this section of the gross receipts from the sale of and the storage, use and consumption in this state of the following items: (1) Materials, tools and fuels or any substitute therefor which become an ingredient or component part of tangible personal property to be sold or which are used or consumed in an industrial plant in the manufacturing, processing or fabricating of products to be sold, in any process preparatory or related thereto or in the measuring or testing of such products or (2) machinery and equipment which will be used primarily in the process of manufacturing, processing or fabricating tangible personal property if: . . . (B) the machinery or equipment is used at any stage of the manufacturing, processing or fabricating process"</p>
Delaware	No sales tax	
Florida	F.S.A. § 212.08	<p>"The sale at retail, the rental, the use, the consumption, the distribution, and the storage to be used or consumed in this state of the following are hereby specifically exempt from the tax imposed by this chapter . . . (5) Exemptions; account of use.-- (b) <i>Machinery and equipment used to increase productive output.</i>-- 1. Industrial machinery and equipment purchased . . . for use in new businesses that manufacture, process, compound, or produce for sale items of tangible personal property . . . 2. Industrial machinery and equipment purchased . . . for use in expanding manufacturing facilities or plant units which manufacture, process, compound, or produce for sale items of tangible personal property at fixed locations in this state are exempt from any amount of tax imposed by this chapter upon an affirmative showing by the taxpayer to the satisfaction of the department that such items are used to increase the productive output of such expanded facility or business by not less than 5 percent."</p>
Georgia	Ga. Code § 48-8-3.2	<p>"The sale, use, or storage of machinery or equipment which is necessary and integral to the manufacture of tangible personal property and the sale, use, storage, or consumption of industrial materials or packaging supplies shall be exempt from all sales and use taxation."</p>
Hawaii	No exemption	

State	Statute	Relevant Text
Idaho	I.C. § 63-3622D	"There are exempted from the taxes imposed by this chapter: (a) The sale at retail, storage, use or other consumption in this state of: (1) Tangible personal property which will enter into and become an ingredient or component part of tangible personal property manufactured, processed, mined, produced or fabricated for sale . . . (2) Tangible personal property primarily and directly used or consumed in or during a manufacturing . . . operation"
Illinois	35 ILCS § 105/3-50	"Manufacturing and assembly exemption. The manufacturing and assembling machinery and equipment exemption includes machinery and equipment that replaces machinery and equipment in an existing manufacturing facility as well as machinery and equipment that are for use in an expanded or new manufacturing facility . . . The manufacturing and assembling machinery and equipment exemption includes the sale of materials to a purchaser who produces exempted types of machinery, equipment, or tools and who rents or leases that machinery, equipment, or tools to a manufacturer of tangible personal property."
Indiana	I.C. § 6-2.5-5-3	"(b) Except as provided in subsection (c), transactions involving manufacturing machinery, tools, and equipment are exempt from the state gross retail tax if the person acquiring that property acquires it for direct use in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or finishing of other tangible personal property, including material handling equipment purchased for the purpose of transporting materials into such activities from an onsite location."
Iowa	I.C.A. § 423.3	"There is exempted from the provisions of this subchapter and from the computation of the amount of tax imposed by it the following: . . . 51. The sales price of tangible personal property sold for processing. Tangible personal property is sold for processing within the meaning of this subsection only when it is intended that the property will, by means of fabrication, compounding, manufacturing, or germination, become an integral part of other tangible personal property intended to be sold ultimately at retail"
Kansas	K.S.A. § 79-3606	"The following shall be exempt from the tax imposed by this act: . . . (m) all sales of tangible personal property which become an ingredient or component part of tangible personal property or services produced, manufactured or compounded for ultimate sale at retail within or without the state of Kansas . . . (n) all sales of tangible personal property which is consumed in the production, manufacture, processing, mining, drilling, refining or compounding of tangible personal property, the treating of by-products or wastes derived from any such production process, the providing of services or the irrigation of crops for ultimate sale at retail within or without the state of Kansas . . . (kk)(1)(A) all sales of machinery and equipment which are used in this state as an integral or essential part of an integrated production operation by a manufacturing or processing plant or facility"

State	Statute	Relevant Text
Kentucky	K.R.S. § 139.470	<p>"There are excluded from the computation of the amount of taxes imposed by this chapter: . . . (10) Gross receipts derived from the sale of, and the storage, use, or other consumption in this state of, tangible personal property to be used in the manufacturing or industrial processing of tangible personal property at a plant facility and which will be for sale . . . (a) . . . As defined herein, tangible personal property to be used in the manufacturing or industrial processing of tangible personal property which will be for sale shall mean: (1) Materials which enter into and become an ingredient or component part of the manufactured product; (2) Other tangible personal property which is directly used in manufacturing or industrial processing, if the property has a useful life of less than one (1) year[including,] Materials . . . which become an ingredient or component part of supplies or industrial tools . . . [;] Supplies . . . [; and] Industrial Tools . . . (b) It shall be noted that in none of the three (3) categories is any exemption provided for repair, replacement, or spare parts. Repair, replacement, or spare parts shall not be considered to be materials, supplies, or industrial tools directly used in manufacturing or industrial processing."</p>
Louisiana	No exemption	
Maine	36 M.R.S.A. § 1760	<p>"Subject to the provisions of section 1760-C, no tax on sales, storage or use may be collected upon or in connection with: . . . 31. Machinery and equipment. Sales of machinery and equipment: A. For use by the purchaser directly and primarily in the production of tangible personal property intended to be sold or leased ultimately for final use or consumption or in the production of tangible personal property pursuant to a contract with the Federal Government or any agency thereof . . . 74. Property used in production. Sales of: A. Tangible personal property that becomes an ingredient or component part of tangible personal property produced for later sale or lease, other than lease for use in this State, or that becomes an ingredient or component part of tangible personal property produced pursuant to a contract with the Federal Government or an agency of the Federal Government; and B. Tangible personal property, other than fuel or electricity, that is consumed or destroyed or loses its identity directly and primarily in the production of tangible personal property for later sale or lease, other than lease for use in this State, or that is consumed or destroyed or loses its identity directly and primarily in the production of tangible personal property produced pursuant to a contract with the Federal Government or an agency of the Federal Government."</p>
Maryland	MD Code § 11-210	<p>"(b) The sales and use tax does not apply to a sale of: (1) tangible personal property used directly and predominantly in a production activity at any stage of operation on the production activity site from the handling of raw material or components to the movement of the finished product, if the tangible personal property is not installed so that it becomes real property"</p>
Massachusetts	M.G.L.A. 64H § 6; 64I § 7	<p>"The following sales and the gross receipts therefrom shall be exempt from the tax imposed by this chapter . . . (r) Sales of materials, tools and fuel, or any substitute therefor, which become an ingredient or component part of tangible personal property to be sold . . . (s) Sales of machinery, or replacement parts thereof, used directly and exclusively . . . In an industrial plant in the actual manufacture of tangible personal property to be sold"</p>

State	Statute	Relevant Text
Michigan	M.C.L.A. § 205.94h	"The tax levied under this act does not apply to tangible real or personal property to the extent the tangible real or personal property is used in a qualified business activity of the purchaser. As used in this section, 'qualified business activity' means that term as defined in the enterprise zone act"
Minnesota	M.S.A. § 297A.68	<p>"Subdivision 1. Scope. The gross receipts from the sale of, and storage, distribution, use, or consumption of the items contained in this section are specifically exempted from the taxes imposed by this chapter. Subd. 2. Materials consumed in industrial production. (a) Materials stored, used, or consumed in industrial production of tangible personal property intended to be sold ultimately at retail, are exempt, whether or not the item so used becomes an ingredient or constituent part of the property produced. [List of materials that qualify]. (b) This exemption does not include: (1) machinery, equipment, implements, tools, accessories, appliances, contrivances and furniture and fixtures, except those listed in paragraph (a), clause (6); and (2) petroleum and special fuels used in producing or generating power for propelling ready-mixed concrete trucks on the public highways of this state . . . Subd. 5. Capital equipment. (a) Capital equipment is exempt. 'Capital equipment' means machinery and equipment purchased or leased, and used in this state by the purchaser or lessee primarily for manufacturing, fabricating, mining, or refining tangible personal property to be sold ultimately at retail if the machinery and equipment are essential to the integrated production process of manufacturing, fabricating, mining, or refining . . . (b) . . . (5) repair and replacement parts, including accessories, whether purchased as spare parts, repair parts, or as upgrades or modifications to machinery or equipment"</p>
Mississippi	No exemption	
Missouri	V.A.M.S. § 144.030	<p>"2. There are also specifically exempted from the provisions of the local sales tax law . . . (2) Materials, manufactured goods, machinery and parts which when used in manufacturing, processing, compounding, mining, producing or fabricating become a component part or ingredient of the new personal property resulting from such manufacturing, processing, compounding, mining, producing or fabricating and which new personal property is intended to be sold ultimately for final use or consumption; and materials, including without limitation, gases and manufactured goods, . . . which are ultimately consumed in the manufacturing process . . . (5) Replacement machinery, equipment, and parts and the materials and supplies solely required for the installation or construction of such replacement machinery, equipment, and parts, used directly in manufacturing, mining, fabricating or producing a product which is intended to be sold ultimately for final use or consumption . . . (6) Machinery and equipment, and parts and the materials and supplies solely required for the installation or construction of such machinery and equipment, purchased and used to establish new or to expand existing manufacturing, mining or fabricating plants in the state if such machinery and equipment is used directly in manufacturing, mining or fabricating a product which is intended to be sold ultimately for final use or consumption; and machinery and equipment, purchased and used, to establish new, or to replace or expand existing, material recovery processing plants"</p>
Montana	No sales tax	

State	Statute	Relevant Text
Nebraska	Neb.Rev.St. § 77-2704.22	"(1) Sales and use taxes shall not be imposed on the gross receipts from the sale, lease, or rental and on the storage, use, or other consumption in this state of manufacturing machinery and equipment. (2) Sales and use taxes shall not be imposed on the gross receipts from the sale of installation, repair, and maintenance services performed on or with respect to manufacturing machinery and equipment."
Nevada	No exemption	
New Hampshire	No sales tax	
New Jersey	N.J.S.A. § 54:32B-8.13	"Receipts from the following are exempt from the tax imposed under the Sales and Use Tax Act: a. Sales of machinery, apparatus or equipment for use or consumption directly and primarily in the production of tangible personal property by manufacturing, processing, assembling or refining"
New Mexico	No exemption	
New York	McKinney's Tax Law § 1115	"(a) Receipts from the following shall be exempt from the tax on retail sales imposed under subdivision (a) of section eleven hundred five and the compensating use tax imposed under section eleven hundred ten: . . . (12) Machinery or equipment for use or consumption directly and predominantly in the production of tangible personal property, gas, electricity, refrigeration or steam for sale, by manufacturing, processing, generating, assembling, refining, mining or extracting, but not including parts with a useful life of one year or less or tools or supplies used in connection with such machinery or equipment . . . (c)(1) Fuel, gas, electricity, refrigeration and steam, and gas, electric, refrigeration and steam service of whatever nature for use or consumption directly and exclusively in the production of tangible personal property, gas, electricity, refrigeration or steam, for sale, by manufacturing, processing, assembling, generating, refining, mining or extracting shall be exempt from the taxes imposed under subdivisions (a) and (b) of section eleven hundred five and the compensating use tax imposed under section eleven hundred ten of this article."
North Carolina	N.C.G.S.A. § 105-164.13	"The sale at retail and the use, storage, or consumption in this State of the following tangible personal property, digital property, and services are specifically exempted from the tax imposed by this Article: . . . (4f) Sales of the following to a person who is engaged in the commercial logging business: a. Logging machinery . . . (8) Sales to a manufacturer of tangible personal property that enters into or becomes an ingredient or component part of tangible personal property that is manufactured. This exemption does not apply to sales of electricity."
North Dakota	NDCC § 57-39.2-04.3	"1. Gross receipts from sales of machinery or equipment used directly in manufacturing of tangible personal property for wholesale, retail, or lease are exempt from taxes under this chapter. To be exempt, the machinery or equipment must be used in a new manufacturing plant or in a physical or economic expansion of an existing manufacturing plant. Purchase of replacement machinery or equipment is not exempt unless it results in a physical or economic expansion of the plant . . . 4. To qualify for exemption at the time of purchase, the customer, manufacturer, recycler, or primary sector business must receive from the commissioner a certificate stating that the machinery or equipment qualifies for the exemption."

State	Statute	Relevant Text
Ohio	OAC § 5703-9-21	"(A) For purposes of this rule, all purchases of tangible personal property are taxable, except those in which the purpose of the consumer is to incorporate the thing transferred as a material or a part into tangible personal property to be produced for sale by manufacturing, assembling, processing, or refining . . . Tangible personal property purchased by a manufacturer as a component or constituent of a product to be manufactured for sale is excepted from sales and use tax."
Oklahoma	68 Okl.St. Ann. § 1359	"There are hereby specifically exempted from the tax levied by Section 1350 et seq. of this title: 1. Sales of goods, wares, merchandise, tangible personal property, machinery and equipment to a manufacturer for use in a manufacturing operation."
Oregon	No sales tax	
Pennsylvania	72 P.S. § 7204	"The tax imposed by section 202 shall not be imposed upon any of the following: . . . (59) The sale at retail or use of molds and related mold equipment used directly and predominantly in the manufacture of products, regardless of whether the person that holds title to the equipment manufactures a product."
Rhode Island	Gen.Laws § 44-18-30	"There are exempted from the taxes imposed by this chapter the following gross receipts: . . . (7) Purchase for manufacturing purposes. (i) From the sale and from the storage, use, or other consumption in this state of computer software, tangible personal property, electricity, natural gas, artificial gas, steam, refrigeration, and water, when the property or service is purchased for the purpose of being manufactured into a finished product for resale and becomes an ingredient, component, or integral part of the manufactured, compounded, processed, assembled, or prepared product, or if the property or service is consumed in the process of manufacturing for resale computer software, tangible personal property, electricity, natural gas, artificial gas, steam, refrigeration, or water. . . (22) Manufacturing machinery and equipment. (i) From the sale and from the storage, use, or other consumption in this state of tools, dies, molds, machinery, equipment (including replacement parts), and related items to the extent used in an industrial plant in connection with the actual manufacture, conversion, or processing of tangible personal property"
South Carolina	Code § 12-36-2120	"Exempted from the taxes imposed by this chapter are the gross proceeds of sales, or sales price of: . . . (9) coal, or coke or other fuel sold to manufacturers, electric power companies, and transportation companies for: (a) use or consumption in the production of by-products . . . (17) machines used in manufacturing, processing, recycling, compounding, mining, or quarrying tangible personal property for sale. 'Machines' include the parts of machines, attachments, and replacements used, or manufactured for use, on or in the operation of the machines"
South Dakota	SDCL § 10-46-9.3; SDCL § 10-46-9	"The use in this state of tangible personal property including containers, labels and shipping case thereof which is intended shall, by means of fabrication, compounding or manufacture become a part of other tangible personal property intended to be sold ultimately at retail within or without the State of South Dakota, is hereby specifically exempted from the tax imposed by this chapter. The term tangible personal property shall be construed to include without limiting the meaning of said term, raw material and newspaper print."

State	Statute	Relevant Text
Tennessee	T. C. A. § 67-6-329	"(a) The sale at retail, the use, the consumption, the distribution and the storage for use or consumption in this state of the following tangible personal property is specifically exempted from the tax imposed by this chapter: . . . (12) Industrial materials and explosives for future processing, manufacture or conversion into articles of tangible personal property for resale where the industrial materials and explosives become a component part of the finished product or are used directly in fabricating, dislodging, or sizing"
Texas	Tax Code § 151.318	"(a) The following items are exempted from the taxes imposed by this chapter if sold, leased, or rented to, or stored, used, or consumed by a manufacturer: [11 specific subsections containing lists of identified materials and equipment]"
Utah	Utah Code § 59-12-104	"Exemptions from the taxes imposed by this chapter are as follows: . . . (14)(a) amounts paid or charged for a purchase or lease: (i) by a manufacturing facility located in the state; and (ii) of machinery, equipment, or normal operating repair or replacement parts if the machinery, equipment, or normal operating repair or replacement parts have an economic life of three or more years and are used: (A) in the manufacturing process to manufacture an item sold as tangible personal property . . . (b) amounts paid or charged for a purchase or lease: . . . (ii) of machinery, equipment, or normal operating repair or replacements parts if the machinery, equipment, or normal operating repair or replacement parts have an economic life of three or more years and are used in: (A) the production process to produce an item sold as tangible personal property . . . (25) a product purchased for resale in this state, in the regular course of business, either in its original form or as an ingredient or component part of a manufactured or compounded product"
Vermont	32 V.S.A. § 9741	"Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title . . . (14) Tangible personal property which becomes an ingredient or component part of, or is consumed or destroyed or loses its identity in the manufacture of tangible personal property for sale; machinery and equipment for use or consumption directly and exclusively, except for isolated or occasional uses, in the manufacture of tangible personal property for sale, or in the manufacture of other machinery or equipment, parts, or supplies for use in the manufacturing process; and devices used to monitor manufacturing machinery and equipment or the product during the manufacturing process"

State	Statute	Relevant Text
Virginia	VA Code § 58.1-609.3	<p>"The tax imposed by this chapter or pursuant to the authority granted in §§ 58.1-605 and 58.1-606 shall not apply to the following: . . . 2. (i) Industrial materials for future processing, manufacturing, refining, or conversion into articles of tangible personal property for resale where such industrial materials either enter into the production of or become a component part of the finished product; (ii) industrial materials that are coated upon or impregnated into the product at any stage of its being processed, manufactured, refined, or converted for resale; (iii) machinery or tools or repair parts therefor or replacements thereof, fuel, power, energy, or supplies, used directly in processing, manufacturing, refining, mining or converting products for sale or resale; (iv) materials, containers, labels, sacks, cans, boxes, drums or bags for future use for packaging tangible personal property for shipment or sale; or (v) equipment, printing or supplies used directly to produce a publication described in subdivision 3 of § 58.1-609.6 whether it is ultimately sold at retail or for resale or distribution at no cost. Machinery, tools and equipment, or repair parts therefor or replacements thereof, shall be exempt if the preponderance of their use is directly in processing, manufacturing, refining, mining or converting products for sale or resale. The provisions of this subsection do not apply to the drilling or extraction of oil, gas, natural gas and coalbed methane gas. In addition, the exemption provided herein shall not be applicable to any machinery, tools, and equipment, or any other tangible personal property used by a public service corporation in the generation of electric power, except for raw materials that are inputs to production of electricity, including fuel."</p>
Washington	RCWA § 82.08.02565; RCWA § 82.12.02565	<p>"(1)(a) The tax levies by RCW 82.08.020 does not apply to sales to a manufacturer or processor for hire of machinery and equipment used directly in a manufacturing operation . . ."; "(1) The provisions of this chapter do not apply in respect to the use by a manufacturer or processor for hire of machinery and equipment used directly in a manufacturing operation" (2) . . . (a) "Machinery and equipment" means industrial fixtures, devices, and support facilities, and tangible personal property that becomes an ingredient or component thereof, including repair parts and replacement parts. "Machinery and equipment" includes pollution control equipment installed and used in a manufacturing operation, testing operation, or research and development operation to prevent air pollution, water pollution, or contamination that might otherwise result from the manufacturing operation, testing operation, or research and development operation. "Machinery and equipment" also includes digital goods.</p> <p>(b) "Machinery and equipment" does not include:</p> <ul style="list-style-type: none"> (i) Hand-powered tools; (ii) Property with a useful life of less than one year; (iii) Buildings, other than machinery and equipment that is permanently affixed to or becomes a physical part of a building; and (iv) Building fixtures that are not integral to the manufacturing operation, testing operation, or research and development operation that are permanently affixed to and become a physical part of a building, such as utility systems for heating, ventilation, air conditioning, communications, plumbing, or electrical. . . ."

State	Statute	Relevant Text
West Virginia	W. Va. Code, § 11-15-9	"(b) Refundable exemptions . . . The following sales of tangible personal property and services are exempt from tax as provided in this subsection: . . . (2) Sales of services, machinery, supplies and materials directly used or consumed in the activities of manufacturing, transportation, transmission, communication, production of natural resources, gas storage, generation or production or selling electric power, provision of a public utility service or the operation of a utility service or the operation of a utility business, in the businesses or organizations named in this subdivision and does not apply to purchases of gasoline or special fuel"
Wisconsin	W.S.A. § 77.54	"There are exempted from the taxes imposed by this subchapter: . . . (2) The sales price from the sales of and the storage, use, or other consumption of tangible personal property or item under s. 77.52(1)(b) that is used exclusively and directly by a manufacturer in manufacturing an article of tangible personal property or item or property under s. 77.52(1)(b) or (c) that is destined for sale and that becomes an ingredient or component part of the article of tangible personal property or item or property under s. 77.52(1)(b) or (c) destined for sale or is consumed or destroyed or loses its identity in manufacturing the article of tangible personal property or item or property under s. 77.52(1)(b) or (c) destined for sale, except as provided in sub. (30)(a)6 . . . (6)(am) The sales price from the sale of and the storage, use or other consumption of: 1. Machines and specific processing equipment and repair parts or replacements thereof, exclusively and directly used by a manufacturer in manufacturing tangible personal property or items or property under s. 77.52(1)(b) or (c) and safety attachments for those machines and equipment."

State	Statute	Relevant Text
Wyoming	W.S. § 39-15-105; W.S. § 39-16-105	<p>Sales Tax: "(a)(iii) For the purpose of exempting sales of services and tangible personal property consumed in production, the following are exempt: (A) Sales of tangible personal property to a person engaged in the business of manufacturing, processing or compounding when the tangible personal property purchased becomes an ingredient or component of the tangible personal property manufactured, processed or compounded for sale or use and sales of container, labels or shipping cases used for the tangible personal property so manufactured, processed or compounded . . . (O) Until December 31, 2017, the sale or lease of machinery to be used in this state directly and predominantly in manufacturing tangible personal property, if the sale or lease:</p> <p>(I) Is to a manufacturer classified by the department under the NAICS code manufacturing sector 31--33; and</p> <p>(II) Does not include noncapitalized machinery except machinery expensed in accordance with section 179 of the Internal Revenue Code.";</p> <p>Use Tax: "(a) The following purchases or leases are exempt from the excise tax imposed by this article: . . . (iii) For the purpose of exempting sales of services and tangible personal property consumed in production, the following are exempt: (A) Purchases of tangible personal property by a person engaged in the business of manufacturing, processing or compounding when the tangible personal property purchased becomes an ingredient or component of the tangible personal property manufactured, processed or compounded for sale or use and purchases of containers, labels or shipping cases used for the tangible personal property so manufactured, processed or compounded . . . (D) Until December 31, 2017, the sale or lease of machinery to be used in this state directly and predominantly in manufacturing tangible personal property, if the sale or lease:</p> <p>(I) Is to a manufacturer classified by the department under the NAICS code manufacturing sector 31--33; and</p> <p>(II) Does not include noncapitalized machinery except machinery expensed in accordance with section 179 of the Internal Revenue Code."</p>