

SENATOR HALL: I understand that and I appreciate that, don't like it, but I appreciate that because we were probably going to finally get to an answer. And, Senator Dierks, spell out for me, go ahead and use a minute or so of my time to finish your statement about the department's manual and how they interpret the definition.

SENATOR DIERKS: Sales of any form of animal life, the products of which ordinarily constitute food for human consumption, are exempt from the sales tax. Cattle, sheep, swine, baby chicks, turkey poults, and bees are examples of exempt forms of animal life.

SENATOR HALL: They're examples, but they're not all inclusive.

SENATOR DIERKS: Purchases of animal life, the products of which do not constitute food for human consumption, such as cats, dogs, mules, zebras, mink, parakeets, penguins and canaries, chinchillas, horses, et cetera are examples of taxable forms of animal life. Purchases of taxable forms of animal life are taxable to the purchaser, even when such animal life is purchased for breeding purposes.

SENATOR HALL: But we're talking about the purchase, correct? We're not talking about the use for sales tax for purposes of storage, use, feed, water, veterinary medicines and those things that are spelled out in the bill, is that not correct?

SENATOR DIERKS: That's correct, but the Department of Revenue makes that call.

SENATOR HALL: So, when you buy cattle at the...at the auction, you don't pay sales tax on it, right?

SENATOR DIERKS: That's correct.

SENATOR HALL: You buy baby chicks you don't pay sales tax on it.

SENATOR DIERKS: That's right, but if you buy a horse you do.

SENATOR HALL: You buy a horse you do.

SENATOR DIERKS: Yeah.