

1980 S.C. Op. Atty. Gen. 99 (S.C.A.G.), 1980 S.C. Op. Atty. Gen. No. 80-49, 1980 WL 81932

Office of the Attorney General

State of South Carolina

Opinion No. 80-49

May 8, 1980

***1 SUBJECT: Property Tax—Exemption of Eggs Of a Hatchery**

Eggs owned and produced by a hatchery are exempt from ad valorem taxation, however, eggs owned by a hatchery and acquired from other producers are taxable.

TO: Honorable Robert R. Able
Saluda County Auditor

QUESTION:

A hatchery maintains an inventory of eggs. Is the inventory taxable?

APPLICABLE LAW:

[§ 12-37-220\(B\)\(13\)](#), 1976 Code of Laws.

DISCUSSION:

The hatchery is considered by the Tax Commission to be farming. Under such circumstances the provisions of [§ 12-37-220\(B\)\(13\)](#) control. The section provides:

'B. In addition to the exemptions provided in subsection A the following classes of property shall be exempt from ad valorem taxation subject to the provisions of § 12-3-145:

(13) All agricultural products owned by the producer in this State.'

Eggs are considered to be agricultural products.

'Farm products' have been held to include swine, horses, neat cattle, sheep, manure, cordwood, hay, as well as vegetables, fruit, eggs, milk, butter, lard, and other provisions for the month. * * *.

Variously included under such statutes are both vegetable and animal products, including those of the field, garden, trees, orchards, livestock, poultry, eggs, dairy products, meats, nuts, and honey.' 3 Am.Jur.2d, Agriculture, § 2.

If the eggs are therefore produced by the hatchery, the same would be exempt, however, if acquired from other producers, the same would be taxable.

CONCLUSION:

Eggs owned and produced by a hatchery are exempt from ad valorem taxation, however, eggs owned by a hatchery and acquired from other producers are taxable.

Joe L. Allen, Jr.
Deputy Attorney General

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