

MISSOURI GRAIN DEALER LICENSE

The following definition of a grain dealer is taken from the Missouri Grain Dealer Law, Section 276.404(17), RSMo.

Section 276.404(17), RSMo, states: Grain dealer or dealer, any person engaged in the business of, or as a part of his business participates in, buying grain where title to the grain transfers from the seller to the buyer within the state of Missouri. A grain dealer or dealer shall not be construed to mean or include:

- (a) Any person or entity who is a member of a recognized board of trade or futures exchange and whose trading in grain is limited solely to trading with other members of a recognized board of trade or futures exchange; provided, that grain purchases from a licensed warehouseman, farmer/producer or any other individual or entity in a manner other than through the purchase of a grain futures contract on a recognized board of trade or futures exchange shall be subject to sections 276.401 to 276.582. Exempted herein are all futures transactions;
- (b) A producer or feeder of grain for livestock or poultry buying grain for his own farming or feeding purposes who purchases grain exclusively from licensed grain dealers or whose total grain purchases from producers during his or her fiscal year do not exceed fifty thousand bushels;
- (c) Any person or entity whose grain purchases in the state of Missouri are made exclusively from licensed grain dealers;
- (d) A manufacturer or processor of registered or unregistered feed whose total grain purchases from producers during his or her fiscal year does not exceed fifty thousand bushels and who pays for all grain purchases from producers at the time of physical transfer of the grain from the seller or his or her agent to the buyer or his or her agent and whose resale of such grain is solely in the form of manufactured or processed feed or feed by-products or whole feed grains to be used by the purchaser thereof as feed;

In addition, please note the following:

1. A person, business or entity who transports grain (which hereinafter includes, but is not limited to, wheat, corn, barley, oats, rye, sorghum, flaxseed, soybeans, triticale and sunflower seed), and receives or transfers payment or takes title to the grain **is required** to be licensed.
2. A person, business or entity who makes the arrangements between a buyer and a seller for the sale of grain and who receives a commission for this service does not require a license **unless** the person, business or entity receives or transfers payment for the grain, or takes title or possession of the grain.
3. A seed company that uses grower contracts may be exempt from requiring a grain dealer license if the contract is approved by the Missouri Department of Agriculture.
4. A grain dealers licensed as a Class III, IV, or VI is required to pay for grain within thirty (30) days of delivery, or upon demand of the seller or his authorized agent, whichever occurs first. Class V dealers may only sell grain raised in their farming operations. The use of deferred price, delayed payment and/or minimum price agreements or contracts requires a Class I Missouri Grain Dealer License.

If you wish to do business as a grain dealer in Missouri, it is suggested that you read the Missouri Grain Dealer Law (<http://www.moga.mo.gov/mostatutes/ChaptersIndex/chaptIndex276.html#>) Sections 276.401 to 276.582, RSMo) and regulations (<http://s1.sos.mo.gov/cmsimages/adrules/csr/current/2csr/2c60-5.pdf>) promulgated under these statutes prior to requesting an application form from the Missouri Department of Agriculture. This information is generally available in the reference section of your public library and on the Department's website: mda.mo.gov.

IF YOU FEEL YOU ARE EXEMPT UNDER THIS STATUTE, YOU MAY REQUEST IN WRITING FOR AN EXEMPTION FORM FROM OUR OFFICE. YOUR REQUEST SHOULD EXPLAIN THE REASON YOU FEEL YOU ARE EXEMPT FROM THE GRAIN DEALER LAW.