

Kansas Department of Revenue

Sales and Use Tax Entity Exemption Certificate

The Kansas Department of Revenue certifies this entity is exempt from paying Kansas sales and/or compensating use tax as stated below.

Kansas Exemption Number:

Expiration Date:

The tax-exempt entity understands and agrees that if the tangible personal property and/or service are used other than as stated for any purpose that is not exempt from the tax, the tax exempt entity is liable for the state and local sales or use tax. Any fraudulent use of this certificate is expressly prohibited, punishable by fine and/or imprisonment.

SAMPLE



EXEMPT ENTITY INFORMATION:

Authorization and scope:

- K.S.A 79-3606(hh) - Nonprofit Skilled Nursing or Intermediate Nursing Care Home.
- Exemption applies to all direct purchase, rental or lease of medical supplies and equipment, including durable medical equipment for the purpose of providing medical services to residences thereof.

Limitations:

- Only direct purchases are exempt through the use of this certificate.
- Use of this certificate for purchases of services is **NOT** allowed. This includes the purchase of labor services.
- Only purchases of medical supplies and equipment, including durable medical equipment is exempt from Kansas sales or compensating use tax. "Durable medical equipment" means equipment including repair and replacement parts for such equipment, which can withstand repeated use, is primarily and customarily used to serve a medical purpose, generally is not useful to a person in the absence of illness or injury and is not worn in or on the body.
- Subject to sales tax are purchases of capital goods used for human habitation (i.e. residential housing and dormitories) to include materials for construction, remodeling or repair and furnishings such as beds, curtains, desks and furniture. Labor services on residential housing and dormitories are exempt as residential construction.
- This entity is **NOT** authorized to obtain a Project Exemption Certificate (PEC). Therefore, contractors and subcontractors must pay Kansas sales or compensating use tax on materials purchased when contracting with the above identified entity. Furthermore, all taxable labor services performed for the above identified entity by contractors and subcontractors are subject to Kansas sales tax.

SAMPLE

or Administrator)

Federal ID Number

Date

RETAILER INFORMATION:

- To qualify for exemption, the certificate must have an expiration date in the future and be signed by an authorized individual.
- Payment must be made by the entity on their checking account or on a credit/debit card issued to the entity. Acceptance of cash, personal checks, or personal credit/debit cards is not allowed for a tax exempt purchase.
- This entity is **NOT** authorized to obtain a Project Exemption Certificate (PEC).
- The entity must have a Kansas exemption certificate. Exemption certificates issued by other states are not valid in Kansas.
- Retailers are required to maintain a copy of the purchaser's certificate in their records for at least 3 years from the date of purchase. Retailers must maintain a current certificate on file.
- Selling tax exempt goods or services that are not exempt by statute may result in the assessment of tax.
- A completed certificate may be used as a blanket exemption for future purchases when of the same type and for the same exempt purpose.

Seller's name and address

Description of goods and/or services purchased

For additional information on Kansas sales and use taxes see Publication KS-1510, *Kansas Sales Tax and Compensating Use Tax* and Publication KS-1520, *Kansas Exemption Certificates*, located at: www.ksrevenue.org Questions would be directed to Taxpayer Assistance at 785-368-8222.