

Kansas Administrative Regulations

Kansas Department of Revenue

Article 19.—Kansas Retailers' Sales Tax

92-19-25b. Exemption certificates.

(a) All retail sales shall be presumed to be taxable. The burden of proving that a sale is exempt from tax shall be on the vendor, unless the vendor takes an exemption certificate from the purchaser in good faith.

(b) A vendor shall be deemed to have accepted an exemption certificate in good faith when the vendor maintains the completed certificate as part of its records, has ascertained the identity of the person or entity who presents the certificate, and has not been shown by the department by a preponderance of evidence to have had knowledge that the presentation of the certificate was improper.

(c) Exemption certificates shall substantially comply with the following format:

KANSAS EXEMPTION CERTIFICATE

I certify that the sale of tangible personal
property or service by:

(Vendor's name)

—

of _____, Kansas, to me or to
the entity that I represent is exempt from the tax
levied by the Kansas retailers' sales and
compensating tax act for the following reasons:

—

—

As purchaser, I understand and agree that if the property or service is used in any manner that is not exempt from tax under the act, the entity that I represent becomes liable for the tax, as do I personally

Date: _____

Purchaser:

—

(Signature and SSN or FEIN)

Name of the entity: _____

—

Address: _____

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(d) Each exemption certificate issued by a nonprofit entity claiming an exemption shall contain the name and address of the entity; identify the subsection of K.S.A. 79-3606,

and amendments thereto, under which the exemption is claimed; be signed by an officer, office manager, or other administrator of the entity; and contain the drivers license number of the signer. As a condition of honoring these exemption claims, a vendor may require that payment be made on the entity's check, warrant, or voucher, or be charged to the entity's account.

(e) A resale exemption certificate may be issued by a registered retailer to claim exemption from tax for purchases of property or services that the retailer intends to resell on the normal course of business or that the retailer is unable to determine will be resold or used by the retailer for some other purpose. Resale exemption certificates shall substantially comply with the following format:

KANSAS RESALE EXEMPTION CERTIFICATE

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(Name of purchaser)

—

—

(Address of purchaser)

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I hereby certify that: I hold valid retailer
registration No. _____ issued pursuant to the
Kansas sales and compensating tax law:

I am engaged in the business of selling:

—

_____;

The tangible personal property described herein
which I shall purchase from:

—

(Vendor's name)

—

will be resold by me in the form of tangible
personal property;

I further agree that, if any of the property is used
for any purpose other than retention,
demonstration, or display while holding it for
resale in the regular course of business, I will
report and pay Kansas state and local sales tax
to the Kansas Department of Revenue, based
on the amount that I paid for the property.

Description of property to be purchased:

—

—

Date: _____

—

(Signature of purchaser or authorized agent and
SSN or FEIN)

(f) Each purchaser claiming a resale exemption shall complete the certificate either by listing the particular property claimed to be for resale or by describing the types of property that are resold in the normal course of the purchaser's business. When a purchaser buys property for resale that is not of the type normally resold in the purchaser's line of business, the vendor may require the purchaser to issue a separate resale exemption certificate that lists the property and states that it is being purchased for resale. A vendor may require a purchaser to provide a copy of its registration certificate as a condition for honoring a resale exemption certificate.

(g) Vendors shall keep a record of each exempt sale of property or services made, showing the date, amount, consumer's name and address, item or service sold, and other pertinent information needed to support each deduction taken on a return. Each vendor shall make such records and exemption certificates available to the department for inspection. Each exemption certificate shall be retained by the vendor for at least three years after the end of the year in which the certificate was last honored or until the final determination of any audit or assessment that includes a period during which the certificate was honored.

(Authorized by K.S.A. 79-3606, 79-3618; implementing K.S.A. 79-3602, 79-3603, 79-3609, 79-3610, 79-3611; effective June 26, 1998.)

***** Authenticated Kansas Administrative Regulation *****