

KANSAS DEPARTMENT OF REVENUE
VETERINARIAN EXEMPTION CERTIFICATE

The undersigned veterinarian certifies that the **drugs** and **pharmaceuticals** purchased from:

Seller: _____
Business Name

Address: _____
Street, RR, or P.O. Box City State Zip + 4

are exempt from Kansas sales and compensating use tax for the following reason:

K.A.R. 92-19-42 exempts the sale of drugs and pharmaceuticals to veterinarians for use by them in the professional treatment of animals or for resale.

Description of drugs and pharmaceuticals purchased: _____

The undersigned understands and agrees that if the drugs or pharmaceuticals are used other than as stated above or for any other purpose that is not exempt from sales or compensating tax, the undersigned veterinarian becomes liable for the tax.

Purchaser: _____
Name of Veterinarian

Address: _____
Street, RR, or P.O. Box City State Zip + 4

Authorized Signature: _____ Date: _____

THIS CERTIFICATE MUST BE COMPLETED IN ITS ENTIRETY.

WHO MAY USE THIS EXEMPTION?

Only those persons licensed to practice veterinary medicine may use this certificate.

WHAT PURCHASES ARE EXEMPT?

Only **prescription** drugs and pharmaceuticals are exempt from sales tax. To be exempt, the veterinarian must also keep a copy of the prescription order on file. When dealing with a veterinary or medical supply house that sells not only drugs and pharmaceuticals but other items not exempt (see below), a veterinarian may only use this certificate for the invoice items that are prescription drugs.

WHAT PURCHASES ARE TAXABLE?

Nonprescription drugs (such as vitamins, diet pills, or weight loss tablets) and nonprescription salves and ointments are not exempt from sales tax. Veterinarians must pay sales tax on these and similar items used in their practice or given to a client for outpatient use as part of an examination or consultation.

Veterinarians must also pay sales tax on their medical supplies and equipment. The following is a representative but not exclusive list of items commonly purchased by veterinarians that are **TAXABLE**:

- | | | |
|------------------------|---------------------|---|
| Bandages | Medical instruments | Operating room equipment |
| Dressings | Needles | Pet food (prescription and nonprescription) |
| Furniture | Office equipment | Syringes |
| Magazine subscriptions | Office supplies | Topical sprays and shampoos |

If the above types of property are purchased from a retailer in another state and a sales tax equal the Kansas state and local sales tax rate in effect where the item is used, stored or consumed has not been paid a Kansas compensating use tax is due on these purchases. Additional information about Kansas compensating use tax is contained in Publication KS-1510, "Kansas Sales and Use Tax." This booklet is available from our office or web site: www.ksrevenue.org

Veterinarians should purchase items intended for resale to pet owners (such as collars, leashes, pet foods, shampoos and topical sprays) without tax using a Resale Exemption Certificate, Form ST-28A. In order to use a Resale Exemption Certificate, the veterinarian must have a Kansas sales tax registration number in order to collect the sales tax from the customer.

**KANSAS DEPARTMENT OF REVENUE
RESALE EXEMPTION CERTIFICATE**

The undersigned purchaser certifies that the tangible personal property or service purchased from:

Seller: _____
Business Name

Address: _____
Street, RR, or P. O. Box
City
State
Zip + 4

will be **resold** by me in the form of tangible personal property or repair service. I hereby certify that I hold valid Kansas sales tax registration number _____, and I am in the business of selling _____
(May attach a copy of registration certificate)

(Description of product(s) sold; food clothing, furniture, etc.)

Description of tangible personal property or services purchased: _____

I understand and agree that if the items purchased with this certificate are used for any purpose other than retention, demonstration, or display while being held for sale in the regular course of business, I am required to report and pay the sales tax, based upon the purchase price of the items.

Purchaser: _____
Name of Kansas Retailer

Address: _____
Street, RR, or P. O. Box
City
State
Zip + 4

Signature: _____ Date: _____

THIS CERTIFICATE MUST BE COMPLETED IN ITS ENTIRETY.

WHO MAY USE THIS CERTIFICATE? Only those businesses, groups and organizations that are registered to collect Kansas sales tax and provide their Kansas sales tax number on this form may use this certificate to purchase inventory without tax. The seller may require a copy of the buyer's Kansas sales tax registration certificate as a condition for honoring this certificate. See also *Resale Exemption Certificate Requirements* in Publication KS-1520, Kansas Exemption Certificates.

Nonprofit groups or organizations exempt by law from collecting tax on their retail sales of tangible personal property (such as a PTA or a nonprofit youth development organization) should use the exemption certificate issued to it by the Department of Revenue when buying items for resale.

Wholesalers and buyers from other states not registered in Kansas should use the Multi-Jurisdiction Exemption Certificate, Form ST-28M, to purchase their inventory. HOWEVER, if the inventory item purchased by an out-of-state buyer is drop shipped to a Kansas location, the out-of-state buyer must provide a Kansas sales tax number, either on this certificate or the Multi-Jurisdiction Exemption Certificate, for the sale to be exempt.

Contractors, subcontractors, or repairmen may not use this certificate to purchase their materials, parts, or tools. Retailer/Contractors should use a Retailer/Contractor Exemption Certificate, Form ST-28W, to purchase their resale inventory.

WHAT PURCHASES ARE EXEMPT? Only goods or merchandise intended for resale (inventory) are exempt. Tools, equipment, fixtures, supplies, and other items purchased for business or personal use are TAXABLE since the buyer is the final consumer of the property.

The items purchased with this certificate must correspond to the type of business buying them. For example, a retail clothing store may only reasonably purchase items of wearing apparel and accessories with this certificate. All other kinds of items are not usually sold by a clothing store to their customers and, therefore, cannot be purchased with this certificate.

LABOR SERVICES. This certificate applies ONLY to items of tangible personal property. A contractor may not use an exemption certificate to purchase the labor services of another contractor or subcontractor. Taxable labor services performed by a contractor can ONLY be purchased without tax with a Project Exemption Certificate issued by the department or its authorized agent.

KANSAS DEPARTMENT OF REVENUE
MULTI-JURISDICTION EXEMPTION CERTIFICATE

NOTE: Check applicable state laws for authority to issue this certificate for the uses indicated below.
Review national tax reporting service publications for information about the states that honor this certificate.

Purchaser: _____
Business Name

Address: _____
Street, RR, or P.O. Box City State Zip + 4

I hereby certify that I am a:

- Wholesaler of: _____
Description of principal product(s)
- Retailer of: _____
Description of principal product(s)
- Manufacturer of: _____
Description of principal product(s)
- Lessor of: _____
Description of principal product(s)
- Other: _____
Description of principal product(s)

and am registered* in the following cities or states:

City or State _____ Registration Number _____
City or State _____ Registration Number _____

**Wholesalers are not required to register with the Kansas Department of Revenue to collect sales tax.*

The tangible personal property described below which I am purchasing from:

Seller: _____
Business Name

Address: _____
Street, RR, or P.O. Box City State Zip + 4

will be for wholesale, resale, or as ingredient or component parts of a new product to be resold, leased, or rented in the normal course of my business.

Description of property purchased with this exemption certificate: _____

I further certify that if the property purchased with this certificate is used or consumed so as to make it subject to sales or use tax, I will pay the tax due directly to the proper taxing authority or inform the seller to add tax to the billing. This certificate shall be a part of each order that I may give you in the future and is valid until cancelled by me in writing or revoked by the city or state.

Under the penalties of perjury, I swear or affirm that the information on this form is true and correct as to every material matter.

Authorized Signature: _____ Date: _____

Misuse of this certificate by the seller, lessor, buyer, lessee, or their representative may be punishable by fine, imprisonment, or loss of the right to issue certificates in some cities or states.

CAUTION TO THE SELLER: In order for this certificate to be accepted in good faith, you must exercise care that the property being sold is of a type normally sold wholesale, resold, leased, rented, or used as an ingredient or component part of a product manufactured by the buyer in the usual course of his business. A seller who fails to exercise due care and good judgment in this regard could be held liable for the sales tax due.

THIS CERTIFICATE MUST BE COMPLETED IN ITS ENTIRETY.

ABOUT THE MULTI-JURISDICTION EXEMPTION CERTIFICATE

PURPOSE

The Multi-Jurisdiction Exemption Certificate is used whenever an exempt transaction crosses state lines. In Kansas, it takes the place of a Kansas resale or ingredient or component part exemption certificate when:

- 1) an out-of-state business, taking delivery of inventory or ingredient parts in Kansas, is not registered in Kansas,
OR
- 2) a wholesaler is buying inventory.

A Kansas business buying inventory or ingredient parts in another state may also furnish this certificate to the seller in the other state, subject to the laws of that state.

WHO MAY USE THIS CERTIFICATE?

Businesses and wholesalers from other states that do not have a Kansas sales tax number to furnish for a Kansas ingredient or component part exemption certificate or a Kansas resale exemption certificate must use this certificate to certify that they qualify for these two Kansas exemptions when making purchases in Kansas.

A Kansas wholesaler will use this certificate when buying inventory from either another Kansas business or a business in another state. Wholesalers are not required to obtain a Kansas sales tax number. A Kansas retailer may also use this certificate when purchasing inventory or ingredient or component parts from a retailer or wholesaler in another state.

WHAT PURCHASES ARE EXEMPT?

Only goods and merchandise (tangible personal property) are exempt. To be exempt, the tangible personal property must be for:

- wholesale sale,
- retail sale (resale), rental, or lease, or become
- an ingredient or component part of a new product to be resold, leased, or rented.

In accepting this certificate, the seller should exercise reasonable care and judgment. The property purchased must be of the type normally sold wholesale or retail, leased or rented, or used as an ingredient or component part of a product manufactured in the customer's usual course of business.

Equipment and fixtures for a business are not exempt. When purchased in Kansas, these items are taxable. When a Kansas business buys equipment or supplies from another state, the Kansas business will owe Consumers' Compensating Use tax on these purchases unless a sales or use tax of at least equal to the Kansas retailers' sales tax rate in effect where the item is used, stored or consumed. See Publication KS-1510, "Kansas Sales and Compensating Use Tax" available on the department's web site.

KANSAS DEPARTMENT OF REVENUE
DESIGNATED OR GENERIC EXEMPTION CERTIFICATE

The undersigned purchaser certifies that the tangible personal property or service purchased from:

Seller: _____
Business Name

Business Address: _____
Street, RR, or P.O. Box City State Zip + 4

is exempt from Kansas sales and compensating use tax under K.S.A. 79-3606. The undersigned understands and agrees that if the tangible personal property or services are used other than as stated in its statutory exemption, or are used for any other purpose that is not exempt from sales or compensating use tax, the undersigned purchaser becomes liable for the tax. The unlawful or unauthorized use of this certificate is expressly prohibited, punishable by fine and/or imprisonment.

This certificate shall apply to (check one):

- Single Purchase Certificate. Enter the invoice or purchase order #: _____
- Blanket Certificate. If checked, this certificate may be used when making purchases of the same type for the same exempt purpose for up to three (3) years from the date of this certificate.

Name of Purchaser: _____

Purchaser's EIN: _____ Foreign Diplomat Number _____

Business Address: _____
Street, RR, or P.O. Box City State Zip + 4

Reason for Exemption. Check the appropriate box for the exemption. Since this is a multi-entity form, not all entities are exempt on all purchases. Only those entities that do not have a Kansas Tax-Exempt Entity Exemption Number may use this certificate to claim an exemption. Kansas-based tax-exempt entities are required to have a Kansas Tax Exempt Entity Exemption Number; non-Kansas tax-exempt entities who regularly do business in Kansas are encouraged to apply for a Kansas Tax-Exempt Entity Exemption Number through our web site at www.ksrevenue.org. Tax exempt entities who have been assigned a Kansas Exemption Number (Kansas and non-Kansas based) must use their numbered Tax-Exempt Entity Exemption Certificate (Form PR-78) issued by the Kansas Department of Revenue to claim their exemption; they cannot use this certificate.

- | | |
|---|--|
| <input type="checkbox"/> Drill bits & explosives actually used in oil and gas exploration and production, K.S.A. 79-3606(pp). | <input type="checkbox"/> Community-based mental retardation facility or mental health center, K.S.A. 79-3606(jj). |
| <input type="checkbox"/> Educational materials purchased for free public distribution by a nonprofit corporation organized to encourage, foster, and conduct programs for the improvement of public health, K.S.A. 79-3606(ll). | <input type="checkbox"/> Elementary or secondary school (public, private or parochial), K.S.A. 79-3606(c). |
| <input type="checkbox"/> Materials purchased by community action groups or agencies to repair or weatherize housing occupied by low income individuals, K.S.A. 79-3606(oo). | <input type="checkbox"/> Habitat for Humanity, K.S.A. 79-3606(ww). |
| <input type="checkbox"/> Medical supplies and equipment purchased by a nonprofit skilled nursing home or intermediate nursing care home, K.S.A. 79-3606(hh). | <input type="checkbox"/> Noncommercial educational TV or radio station, K.S.A. 79-3606(ss). |
| <input type="checkbox"/> Qualified machinery and equipment purchased by an over-the-air free access radio or TV Station, K.S.A. 79-3606(zz). | <input type="checkbox"/> Nonprofit blood, tissue or organ bank, K.S.A. 79-3606(b). |
| <input type="checkbox"/> Seeds, tree seedlings, fertilizers and other chemicals, and services used to grow plants to prevent soil erosion on agricultural land, K.S.A. 79-3606(mm). | <input type="checkbox"/> Nonprofit public or private educational institution, K.S.A. 79-3606(c). |
| <input type="checkbox"/> Foreign Diplomat. | <input type="checkbox"/> Nonprofit hospital or public hospital authority, K.S.A. 79-3606(b). |
| <input type="checkbox"/> Newly Legislated Exemption. Briefly describe the exemption and enter the statute reference or enter the year and number of the Bill authorizing the exemption. _____ | <input type="checkbox"/> Nonprofit museum or historical society, K.S.A. 79-3606(qq). |
| | <input type="checkbox"/> Nonprofit, nonsectarian youth development organization, K.S.A. 79-3606(ii). |
| | <input type="checkbox"/> Nonprofit religious organization, K.S.A. 79-3606(aaa). |
| | <input type="checkbox"/> Nonprofit zoo, K.S.A. 79-3606(xx). |
| | <input type="checkbox"/> Parent-Teacher Association or Organization, K.S.A. 79-3606(yy). |
| | <input type="checkbox"/> Primary care clinics and health centers serving the medically underserved, K.S.A. 79-3606(ccc). |
| | <input type="checkbox"/> Rural volunteer fire fighting organization, K.S.A. 79-3606(uu). |

Authorized Signature: _____ Federal ID or Driver's License #: _____
Officer, Office Manager or Administrator *Required by K.S.A. 79-3651(f)

Printed Name: _____ Date: _____

THIS CERTIFICATE MUST BE COMPLETED IN ITS ENTIRETY.
PLEASE REFER TO THE INSTRUCTIONS FOR USE OF THIS CERTIFICATE ON THE REVERSE.

ABOUT THE DESIGNATED EXEMPTION CERTIFICATE, FORM ST-28

IMPORTANT: This is a multi-entity form; not all entities are exempt on all purchases.

WHO MAY USE THIS CERTIFICATE

This exemption certificate is used either to claim a sales and use tax-exemption present in Kansas law not covered by other certificates, or by a non-Kansas tax-exempt entity not in possession of a Kansas Tax-Exempt Entity Exemption Certificate, Forms PR-78, discussed below.

FOREIGN DIPLOMATS. Foreign diplomats must provide their foreign diplomat number issued by the Office of Foreign Missions of the U. S. State Department on this exemption certificate. Additional information about this exemption is in our Notice 04-09 on our web site.

Buyers claiming exemption based on how the item will be used (Resale, Retailer/Contractor, Ingredient or Component Part, Agricultural, etc.) must use the specific certificate (form type ST-28) designed for each of those exempt uses under the law. The U.S. Government, its agencies and instrumentalities must also continue to use Form ST-28G designed for their exemption.

TAX-EXEMPT ENTITY EXEMPTION CERTIFICATES (FORMS PR-78)

To assist retailers in identifying the nonprofit entities exempt from paying Kansas sales and use tax, the Kansas Department of Revenue has issued Tax-Exempt Entity Exemption Certificates effective January 1, 2005. Issued first to Kansas-based entities, these are individual, uniquely numbered exemption certificates issued only by the department. Each certificate contains the entity's name and address, the statute cite of the exemption and the entity's Kansas Exemption Number. This number is separate and apart from any sales tax registration number used to collect tax from their customers. To claim its exemption, the registered exempt entity must merely provide a completed, signed copy of its PR-78 to the retailer. Tax exempt entities who have been assigned a Kansas Exemption Number (Kansas and non-Kansas based) **may NOT use the Designated or Generic Exemption Certificate (Form ST-28) to claim exemption.**

Kansas-based tax-exempt entities are required to obtain a Kansas Tax-Exempt Entity Exemption Number. Tax-exempt entities (schools, nonprofit hospitals, etc.) from other states who regularly do business in Kansas are encouraged to obtain a Kansas Tax-Exempt Entity Exemption Certificate from the Kansas Department of Revenue. To obtain a uniquely numbered certificate, complete the application on our web site at www.ksrevenue.org.

GENERAL EXEMPTION RULES

Complete all parts of the form. An exemption certificate is complete only when all the requested information is provided. Please print or type all information, except for the authorized signature. Addresses must include the street or PO Box, city, state and zip code. Pursuant to K.S.A. 79-3651(f), the driver's license number of the authorized officer, director or administrator of a nonprofit entity is required. The federal employer identification number (EIN) of the exempt entity may be entered in place of the driver's license number.

Direct Purchase. Generally, an exemption applies only to direct purchases of tangible personal property or taxable repair services by an exempt entity for its exclusive use. A direct purchase is

one that is billed directly to the exempt entity, and/or paid for with entity funds (check or credit card). Purchases made by employees or agents of the exempt entity with their personal funds are fully taxable, even when the employee/agent is reimbursed the expense by the exempt entity.

A direct "purchase" of tangible personal property includes the rental or lease of tangible personal property. The direct purchase of "services" are the taxable labor services of repairing, servicing, altering or maintaining tangible personal property, and the labor services (not materials) of a contractor on a real property project.

Construction, Remodel or Repair Projects. Qualifying entities may purchase the labor services of a contractor (whether working on tangible personal property or real property) without tax using this certificate. However, *indirect* purchases of materials and labor on real property projects are taxable. Materials furnished by or through a contractor or the materials and/or labor furnished by a subcontractor for the construction, reconstruction or repair of *real property* are not exempt with this certificate, as they are not a direct purchase by the entity. Therefore a contractor's invoice will include (and the entity must pay) the sales tax paid or accrued by the contractor on any materials, parts and subcontractor invoices for the project.

PROJECT EXEMPTION CERTIFICATES (PECs). A PEC is a numbered document issued only by the Kansas Department of Revenue or its authorized agent. As the name implies, a PEC exempts the entire project – materials and labor – from sales or use tax. Not all entities are eligible to obtain a PEC. Contact the department at (785) 368-8222 for more information.

Retailer Record Keeping. Retailers must keep a copy of this completed certificate with your other sales tax records for a period of at least three years from the date the certificate is signed and presented to you. DO NOT send copies to the Kansas Department of Revenue.

Penalties for Misuse. A buyer who issues an exemption certificate in order to unlawfully avoid payment of the tax for business or personal gain is guilty of a misdemeanor, and upon conviction may be fined up to \$1,000 or imprisoned for up to a year, or both.

TAXPAYER ASSISTANCE

Additional information about each exemption is in our Publication KS-1520, Kansas Exemption Certificates. This publication, as well as Notices and other written advice on Kansas taxes and exemptions are available from the Policy Information Library on the department's web site at www.ksrevenue.org. Since Kansas exemptions are not always of general application, you are encouraged to consult the web site or the department with specific taxability issues.

If you have questions or need additional information contact:

Taxpayer Assistance Center
Kansas Department of Revenue
Docking State Office Building, 1st Floor
915 SW Harrison, Topeka, KS 66625-2007

Phone: (785) 368-8222
Hearing-Impaired: (785) 296-6461

KANSAS DEPARTMENT OF REVENUE
AGRICULTURAL EXEMPTION CERTIFICATE

The undersigned purchaser certifies that the tangible personal property or service purchased from:

Seller: _____
Business Name

Address: _____
Street, RR, or P. O. Box City State Zip + 4

is exempt from Kansas sales and compensating use tax for the following reason (check one box):

- Ingredient or component part Consumed in production Propane for agricultural use
- The property purchased is farm or aquaculture machinery or equipment, repair or replacement parts, or labor services on farm or aquaculture machinery or equipment which will be used exclusively in farming, ranching, or aquaculture.

Description of tangible personal property or services purchased: _____

The undersigned understands and agrees that if the tangible personal property or services are used other than as stated above or for any other purpose that is not exempt from sales or compensating tax, the undersigned purchaser becomes liable for the tax.

Purchaser: _____
Business Name

Address: _____
Street, RR, or P. O. Box City State Zip + 4

Authorized Signature: _____ Date: _____

THIS CERTIFICATE MUST BE COMPLETED IN ITS ENTIRETY.

WHO MAY USE THIS CERTIFICATE? Farmers, ranchers, feedlots, fisheries, grass farms, nurseries, Christmas tree farms, custom cutters, crop dusters, and others engaged in farming, ranching, aquaculture, or farm and ranch work for hire are entitled to this exemption.

WHAT PURCHASES ARE EXEMPT? This certificate contains three separate exemptions. Examples of items or uses that are exempt, and those that are taxable are given for each exemption. In addition to meeting the definition for an "ingredient or component part" or the "consumed in production" exemption, items purchased with this certificate must be used exclusively in agriculture or aquaculture to produce a product for resale — food, fiber, fur, or offspring for such purposes.

INGREDIENT OR COMPONENT PART: EXEMPT: Wheat, corn, milo, soybean, and sunflower seed used to produce these crops; feed for beef or dairy cattle, sheep and hogs, ground grain for chickens in a poultry or egg-laying operation; food for aquatic plants and animals (fish); baler twine, baler wire and bale wrap used on hay that will be resold or used in the farmer or rancher's own livestock production operation. **TAXABLE:** Bedding plants and seeds for a home garden; or food for pets and pleasure animals.

CONSUMED IN PRODUCTION: EXEMPT: Insecticides, herbicides, fungicides, fumigants (such as gastoxin), germicides, pesticides, and other such chemicals used on growing agricultural crops for resale or used in the processing or storage of fruit, vegetables, feeds, seeds, and grains; antibiotics, biologicals, pharmaceuticals, vitamins, minerals, and like products which are fed, injected, or otherwise applied to livestock for resale; off-road diesel fuel, oil, and oil additives consumed by farm tractors and combines; LP gas for agricultural use. **TAXABLE:** Insecticides and the like purchased for use in a home garden; antibiotics, vitamins, etc. purchased for pets or pleasure animals; fuels, oils, and additives for cars, trucks, and ATVs.

PROPANE FOR AGRICULTURAL USE: EXEMPT: Propane used to operate farm machinery. **TAXABLE:** Propane for non-agricultural use, including for barbecue grills, campers, RV equipment and vehicles licensed to operate on public highways.

FARM OR AQUACULTURE MACHINERY AND EQUIPMENT: To qualify, the machinery or equipment must be used **ONLY** in farming, ranching, the operation of the feedlot or nursery, farm or ranch work for hire, or aquaculture. The exemption applies to the rental or purchase of farm or aquaculture machinery and equipment, as well as the parts and labor purchased to repair or maintain the farm or aquaculture machinery and equipment. **EXEMPT:** Combines, discs, farm tractors, harrows, hay balers, irrigation and milking equipment, planters, plows, and tillers. **TAXABLE:** Air compressors and tanks, all terrain vehicles (ATVs), automobiles and trucks, barn ventilators, building and electrical materials, bulldozers, fencing materials and tools, garden hoses, grain bins, hand tools, lawnmowers, silos, water and gas wells, welding equipment, and any equipment that becomes a part of a building, facility, or land improvement.

Note: Additional information regarding the sales tax exemptions available to farmers, ranchers and the agricultural industry is contained in Publication KS-1550, "Kansas Sales and Use Tax for the Agricultural Industry," which may be obtained from the department's web site: www.ksrevenue.org