**Memorandum**

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| **Identifying Information:** | **Sales Tax Collection to Native Americans** |

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| **Tax Type:** | **Vehicles** |
| **Brief Description:** | **Sales Tax Collection to Native Americans** |
| **Keywords:** |  |
| **Effective Date:** | **04/02/1997** |

**Body:**

**Division of Vehicles**  
**MEMORANDUM**

**TO:**Kansas Vehicle Dealers/County Treasurers  
  
**FROM:** Marge Bailey  
Chief, Titles and Registration Bureau  
  
**DATE:** April 2, 1997  
  
**SUBJECT:** Sales Tax Collection  
  
The Department of Revenue has recently received numerous inquiries regarding sales tax collection on vehicle sales transacted by Kansas Licensed Dealers to Native American’s residing on a reservation.  
  
Pursuant to K.S.A. 8-2410(25) motor vehicle dealers are prohibited from conducting sales away from their established place of business. Therefore, unless a dealer’s established place of business is physically located on a federally recognized reservation and the purchaser of the motor vehicle is a member of that reservation’s tribe, sales tax must be collected by the dealer at the time of sale. Failure to comply with K.S.A. 8-2410(25) is a violation of the Dealer’s Act and will result in a fine and/or a suspension or revocation of the dealer’s license to sell motor vehicles. Furthermore, even if a sale is conducted in violation of K.S.A. 8-2410(25) and the sales tax is not collected by the dealer, K.S.A. 79-3601 et seq. Does not relieve the dealer from remitting the sales tax to the Director of Taxation.  
  
Should you have any further questions or concerns, please don’t hesitate to contact this office at (913) 296-3621.  
  
MB/drt  
  
cc: Betty McBride  
Rick Schiebe  
David Clauser  
Mike Hale  
  
  
**Date Composed: 02/24/1998 Date Modified: 10/09/2001**