

# Notice

**Notice Number:**  
**Tax Type:** Kansas Retailers' Sales Tax  
**Brief Description:** Terrain Vehicles - Dirt Bikes  
**Keywords:**  
**Effective Date:** 02/22/1991

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**Body:**

**NOTICE**

TO: All motor vehicle, all terrain vehicles, truck & motorcycle retailers

FROM: Kansas Department of Revenue

RE: Sales of all terrain vehicles and dirt bikes made by retailers

The Kansas Department of Revenue has been asked whether or not sales of all terrain vehicles and dirt bikes qualify as farm machinery and equipment and the sales tax exemption extended in K.S.A. 79-3606(u).

K.S.A. 79-3606(u) exempts from sales tax: "all sales of farm machinery and equipment, repair and replacement of parts therefore and services performed in the repair and maintenance of such machinery and equipment. For the purposes of this subsection the term 'farm machinery and equipment' shall not include any passenger vehicle, truck, truck tractor, trailer, semitrailer or pole trailer, other than a farm trailer, as such terms are defined by K.S.A. 8-126 and amendments thereto. Each purchaser of farm machinery or equipment exempted herein must certify in writing on the copy of the invoice or sales ticket to be retained by the seller that the farm machinery or equipment purchased will be used only in farming or ranching. Farming or ranching shall include the operation of feedlot and farm and ranch work for hire."

K.A.R. 92-19-32(b)(1) states in part: "Farm machinery and equipment" shall mean machinery and equipment purchased by a farmer or rancher. . . when is ordinary and necessary for the growing or raising of agricultural products. Farm machinery and equipment shall not include disposable supplies, buildings, building materials, silos, fence, fencing materials, land, all terrain vehicles, passenger motor vehicles, trucks, truck tractors, trailers, semitrailers, and pole trailers, other than a farm trailer."

**Accordingly, it shall be unlawful for the purchaser to give and for the retailer to accept an agricultural exemption certificate to exempt the sale of all terrain vehicles and dirt bikes from Kansas sales tax as farm machinery and equipment. Retail sales of all terrain vehicles and dirt bikes to residents of another state are subject to Kansas sales tax when delivery is taken in this state. It is immaterial that the buyer may subsequently transport the all terrain vehicle or dirt bike out of state or that the buyer's home state exempts such sales.**

If you have questions concerning this notice, you may direct your inquiries to the Kansas Department of Revenue, Tax Policy Group, Docking State Office Building, Topeka, Kansas 66625-0001 or call (913) 296-5476.

Dated: February 22, 1991

**Date Composed: 10/06/1997 Date Modified: 10/10/2001**

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