

Publishers

Taxability Information Guide

The taxability of sales and purchases of tangible personal property and labor services by companies in the Publishing Industry are summarized below. This list is not all-inclusive.

Purchases by Publishers:

Kansas sales or compensating use tax applies to those purchases identified or designated as taxable in the chart below. The applicable Kansas sales or Kansas consumers' compensating use tax must be paid to the vendor or accrued and remitted directly to the Kansas Department of Revenue. Purchases from Kansas vendors may be reported using the retailers' sales tax return. Purchases from outside this state which are delivered to this state are to be reported on the Kansas consumers' compensating use tax return.

Purchases	Taxable or Exempt
Lease or purchase of industrial production equipment, and related installation and equipment repairs, used in publishing operations such as industrial copiers, scanners, camera equipment, printers, printing presses, plate makers, press blankets and rollers, binding machines, paper folding machines, laminating machines, punching or cutting machines, shrink wrap machines, counter machines, collating machines, color separators, dies and plates, air compressors, conveyors and forklifts.	Exempt
Industrial production computer software and equipment used to create digital designs, layouts or run manufacturing equipment.	Exempt
Tools used in the integrated production process such as knives, staplers, wire cutters, brushes, chisels, awls, tape or scissors.	Taxable
Lease or purchase of maintenance equipment used to repair or alter integrated production equipment.	Taxable
Lease or purchase of equipment, and related repairs, used by publishers primarily engaged in retail operations.	Taxable
Purchases of tangible property which become a component part of the finished product held for resale, such as inks, fabric, paper, binding glue, report covers, transparencies, stitching wire, binders or tape.	Exempt
Purchases of tangible property which is consumed in making the printed product, such as, ink, overprint varnishes, toner, press chemicals, antistatic spray, solvents, lubricants, film, acid, adhesives and thermo powder.	Exempt
Materials used to print or publish newspapers, trade publications, advertising pamphlets, circulars and other publications that are to be distributed free of charge by the publisher.	Taxable
Purchases of shipping supplies, such as boxes, envelopes, cartons, labels, shrink wrap, wire, ties, tape and newspaper bags, etc., used to ship or deliver printed items to customers.	Exempt
Merchandise purchased for resale or rental to customers, including freight or delivery charges.	Exempt
Merchandise withdrawn from resale inventory for store use or consumption (including for use during instructional classes).	Taxable
Tangible personal property to be given away or donated (Items that are given away or donated to a tax exempt entity are not subject to sales tax).	Taxable
Complimentary items such as bottled water, soft drinks, coffee, creamer, sugar, cups and stir sticks, and candy.	Taxable
Promotional items, including but not limited to, calendars, mugs, pens and items of clothing.	Taxable
Freight or delivery charges, billed by the vendor, on purchases subject to sales/use tax.	Taxable
Reference books and materials, newspaper and magazine subscriptions, forms, printed matter (including promotional brochures, etc.), business cards, notepads, etc.	Taxable
Office supplies such as office forms, staplers, paper, pens, pencils, labels, ink, toner and ribbon cartridges.	Taxable
Laptop and desktop computers, copiers, printers, fax machines, calculators, telephones and other similar equipment.	Taxable
Furniture and fixtures, including but not limited to, desks, lights, tables, chairs, plants, planters, artwork and signs.	Taxable
Shelving, display racks, checkout counters, storage cabinets, display cases, bar code scanners, cash registers, cash register supplies, bins, boxes, etc.	Taxable

Break room supplies such as microwaves, refrigerators, tables, chairs, and paper products.	Taxable
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Purchases continued

Taxable or Exempt

Equipment included, but not limited to, motor vehicles, hydraulic equipment, dollies, ladders, batteries and chargers, fans, including the charges for repair and/or maintaining said equipment.	Taxable
Lease or rental of any tangible personal property such as copiers, fax machines, equipment, or vehicles.	Taxable
Parts and labor services of repairing, servicing, altering or maintaining tangible personal property, such as computers, printers, copiers and security equipment.	Taxable
Warranty or service agreements for tangible personal property such as computers, printers, copiers and security equipment.	Taxable
Printed materials such as catalogs and flyers distributed directly to customers at the store or mailed directly to customers or prospective customers through mailing or delivery service.	Taxable
Printed materials provided to a newspaper or other publication to be included as an insert in the newspaper or publication that is to be sold at retail.	Exempt
Signs, banners or posters purchased from an outside printer, or the costs of all materials if produced by the store.	Taxable
Exterior building or parking lot signage, including charges for parts and labor for repairs and maintenance.	Taxable
Advertising as in newspapers, radio, or television.	Exempt
Professional services such as legal or accounting services.	Exempt
Canned software, software upgrades and labor services to modify, alter, update or maintain software.	Taxable
Customized software, software upgrades and labor services to modify, alter, update or maintain customized software. "Customized" software is software developed for a single end user.	Exempt
Software or databases accessed via the internet and not installed on owned or leased computers or servers.	Exempt
Labor services on original construction of a new building or facility.	Exempt
Labor services for repairs, maintenance and remodeling of existing commercial buildings or facilities.	Taxable
Security cameras, mirrors, security tags, tag detachers, countertop deactivators, all other security equipment.	Taxable
Security systems monitoring service.	Exempt
Cleaning services (except when applying products such as wax, scotch guard, etc), plant watering and care.	Exempt
Janitorial supplies such as vacuums, carpet cleaners, sweepers, scrubbers, floor waxers, rags, and toiletries.	Taxable
Trash removal, shredding services.	Exempt
Linen services.	Taxable
Pest control materials and supplies.	Taxable

Sales by Publishers:

*Sales/rentals to entities with proper exemption certificates provided are exempt from sales tax. Ensure the exemption certificates are retained to substantiate all non-taxed transactions.

Note: Kansas tax applies to the "gross receipts" from the sale of taxable goods or services in Kansas. Gross receipts include amounts collected from the customer such as charges billed for freight, delivery or special handling.

The taxability of sales of tangible personal property and labor services by (Your Industry) is summarized below. This list is not all inclusive.

Sales	Taxable or Exempt
Sales of tangible personal property, including but not limited to newspapers, magazines, periodicals, trade journals, publications and other printed matter sold at retail.	Taxable
Sales to the U.S. government, Kansas political subdivisions, religious organizations, and nonprofit educational institutions. Properly completed valid exemption certificate is needed.	Exempt

Services provided such as copying, printing, scanning, bookbinding, photo retouching, color separation, setup fees.	Taxable
Books, magazines and other printed materials delivered electronically.	Exempt
Fees to access materials stored on the internet.	Exempt
Subscriptions for newspapers, magazines, periodicals, trade journals, publications and other printed matter delivered to locations in Kansas.	Taxable
Charges for printed advertising inserts provided to customers for inclusion in newspapers and periodicals subject to tax.	Exempt
Sales Continued	Taxable or Exempt
Charges for services such as engraving, etching or gift wrapping.	Taxable
Charges for shipping, postage, handling and packaging printed material, other than direct mail items.	Taxable
Delivery charges and or postage of direct mail when separately stated on the invoice.	Exempt
Advertising and promotional direct mail and other direct mail (such as a retailer sending out mail to customers and contracting with a printer to produce and mail the items) when purchaser provides a direct pay permit or a direct mail sourcing certificate (ST-31).	Exempt
Advertising and promotional direct mail and other direct mail (such as a retailer sending out mail to customers and contracting with a printer to produce and mail the items) when purchaser provides jurisdictions to which the direct mail is delivered.	Taxable
Advertising and promotional direct mail and other direct mail (such as a retailer sending out mail to customers and contracting with a printer to produce and mail the items) when a direct pay permit, direct mail sourcing certificate or taxing jurisdiction information is NOT provided.	Taxable at rate from where <u>seller</u> ships items.
Other direct mail <u>only</u> ; when purchaser does not provide the seller a direct pay permit, direct mail sourcing certificate, or taxing jurisdiction information.	Taxable at rate from the <u>purchaser's billing address</u>