

# Information Guide

**Identifying Information:** Restaurants Self-Audit Fact Sheet  
**Tax Type:** Kansas Retailers' Sales Tax  
**Brief Description:** Restaurants Self-Audit Fact Sheet  
**Keywords:**  
**Approval Date:** 12/13/2004

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**Body:**

KANSAS DEPARTMENT OF REVENUE  
 AUDIT SERVICES  
 RESTAURANTS SELF-AUDIT FACT SHEET

<b>RESTAURANTS - SALES TAX FACT SHEET</b>	
<b>(Consult Publication KS-1540, Kansas Business Taxes for Hotels and Restaurants, for more information - <a href="http://www.ksrevenue.org">www.ksrevenue.org</a>)</b>	
<b>Purchases by Restaurants:</b>	<b>Sales Tax</b>
Booths and all other furniture and fixtures including but not limited to: desks, lamps, tables and chairs, high chairs and booster seats, carpet, curtains and drapes	Taxable
Appliances and kitchen equipment including but not limited to: air-conditioners, microwaves, televisions, water heaters, ovens, stoves, refrigerators and freezers, coffee makers, mixers, sinks and dishwashers, pots, pans, mixing bowls, exhaust hoods, food processors,	Taxable
Menus, ashtrays, candles, candleholders, condiment dispensers	Taxable
Cloth tablecloths, cloth napkins, uniforms, pictures, plants, decorations	Taxable
Office equipment and supplies including but not limited to: computers, fax machines, writing utensils, paint, signs and office forms	Taxable
Restroom and janitorial supplies, mops, brooms	Taxable
Dishes, glassware, barware, silverware, cookware and napkin dispensers	Taxable
Cash registers, register tapes, customer tickets	Taxable
Complimentary items such as toothpicks, balloons, matches, candy, peanuts, popcorn, activity materials for children, etc., not associated with the sale of food.	Taxable
Items used by the restaurant such as wax paper, stretch wrap, foil, paper towels, dish soap, cleaning materials, garbage bags, etc.	Taxable
Purchase or Lease of real estate, Insurance	Exempt
Repair and remodeling labor services to existing real estate	Taxable
Labor services on original construction of new building or facility	Exempt

Labor services of repairing, servicing, altering or maintaining tangible personal property, such as computers, printers, copiers, stoves, ovens, security equipment, etc.	Taxable
Warranty or service agreements for tangible personal property such as, computers, printers, copiers, stoves, ovens, security equipment, etc.	Taxable
Utilities (electricity, gas, water, heat) used for lighting, air conditioning, heating, cleaning, etc.	Taxable
Utilities (electricity, gas) used for cooking; water served to customers as water, coffee, tea, soup, etc.	Exempt
Food and drink items purchased to be resold to the customer including condiments such as salt, pepper and mustard	Exempt
<b>Disposable items provided to the customer including but not limited to: plastic dinnerware and table service, drinking straws, paper napkins, paper or plastic bags and takeout boxes, paper bibs</b>	Exempt
Food served without charge to employees of the restaurant whose duties are related to the furnishing of meals to the public	Exempt
Trash service	Exempt
Cleaning services	Exempt
Professional services such as accounting or legal services	Exempt
<b>Sales by Restaurants:</b>	<b>Sales Tax</b>
Sales of meals or drinks, including meals sold to employees at full or reduced price	Taxable
Admission or cover charges	Taxable
Mandatory gratuity (tip) charges	Taxable
Gift Certificates	Exempt
Tips that are freely given by customers	Exempt
Vending machine sales	Taxable
Food given away with a third party coupon	Taxable
Food given away with a restaurant's coupon	Exempt
Food sold to another restaurant for resale	Exempt
Charges for party room rental	Exempt
Coat checking charges	Exempt
Sales of alcoholic beverages that are subject to the 10% Drink Tax	Exempt
Sales of 3.2 Beer	Taxable
Sales to the federal government, state or political subdivisions, churches or other exempt entities if paid directly by funds belonging to the exempt entity. In order to qualify for the exemption, the restaurant must maintain a copy of the bill to the exempt entity and proof that payment was made by the exempt entity (copy of voucher, check or credit card)	Exempt