

NEW OWNERS
Do not use previous owner's return

KANSAS DEPARTMENT OF REVENUE
Division of Taxation

FOR OFFICE USE ONLY

ENVIRONMENTAL SURCHARGE AND SOLVENT FEE RETURN
(See instructions on reverse side)

DC

Registration no.:

Return for:

Must be filed and tax paid by:

IF NO SERVICES SUBJECT TO THE SURCHARGE WERE RENDERED OR NO DRY CLEANING SOLVENT SOLD DURING THIS REPORTING PERIOD—ENTER "0" ON LINE 8, PART I AND/OR LINE 5, PART II, SIGN AND RETURN.

PART I – ENVIRONMENTAL SURCHARGE (Retailers only)

1. Total gross receipts or sales for this period (excluding the tax collected)	\$
2. Deductions (from line E, Schedule I)	\$
3. Net taxable receipts (subtract line 2 from line 1)	\$
4. Surcharge (multiply line 3 by 2.5%)	\$
5. Penalty (see instructions)	\$
6. Interest (see instructions)	\$
7. Credit memorandum (see instructions)	\$
8. Total environmental surcharge, penalty, and interest (add lines 4, 5, and 6 and subtract line 7)	\$

Schedule I — Deductions

A. Dry cleaning or laundry services provided through an automatic or manual coin-operated device for use by the general public	\$
B. Laundering or rental of uniforms, linens, dust control materials, or other textiles for commercial purposes, without the use of dry cleaning solvents	\$
C. Dry cleaning or laundry services rendered to entities that qualify for exemption from retailers' sales tax on direct purchases of laundering and dry cleaning services pursuant to K.S.A. 79-3606	\$
D. Sales to other retailers for purposes of resale	\$
E. TOTAL (add lines A, B, C, and D and enter the result here and on line 2, Part I above)	\$

PART II – DRY CLEANING SOLVENT FEE (Solvent Distributors only)

1. Dry cleaning solvent fee (from line C, Schedule II, below)	\$
2. Penalty (see instructions)	\$
3. Interest (see instructions)	\$
4. Credit memorandum (see instructions)	\$
5. Total dry cleaning solvent fee, penalty, and interest (add lines 1, 2, and 3 and subtract line 4)	\$

Schedule II — Dry Cleaning Solvent Fee

DRY CLEANING SOLVENT	NUMBER OF GALLONS SOLD	FEE PER GALLON	TOTAL FEE
A. Perchloroethylene or other chlorinated dry cleaning solvents	_____	X \$	= \$ _____
B. Any nonchlorinated dry cleaning solvents (petroleum based)	_____	X \$	= \$ _____
C. TOTAL (add lines A and B and enter the result here and on line 1, Part II above)			= \$ _____

TOTAL AMOUNT DUE (add line 8 from Part I and line 5 from Part II) \$

I CERTIFY THAT THIS IS A TRUE, CORRECT AND COMPLETE RETURN.

SIGN HERE ➔

Signature Title Preparer's Phone No.

INSTRUCTIONS FOR COMPLETING THE ENVIRONMENTAL SURCHARGE AND SOLVENT FEE RETURN DC-1

GENERAL INFORMATION

Pre-printed returns are mailed to registered dry cleaners, laundry retailers, and dry cleaning solvent distributors. The return is due on or before the 25th day of the month following the taxing period end (i.e., March and first quarter returns are due by April 25th). **The return must be filed even if no services subject to the surcharge were rendered or no dry cleaning solvent was sold during the reporting period.**

LINE-BY-LINE INSTRUCTIONS

PART I (Retailers Only)

LINE 1 — Enter the total sales of all dry cleaning or laundering services made during the reporting period (both taxable and non-taxable). DO NOT include sales tax or the environmental surcharge collected in this figure.

LINE 2 — If line 1 includes any tax-exempt sales, complete *Schedule I—Deductions* and enter total on line 2. If all sales reported on line 1 were taxable, enter “0”.

Exempt entities (Line C of Schedule I – Deductions):

The following entities are exempt from paying the environmental surcharge on direct purchase of dry cleaning or laundering services: The U.S. Government, its agencies and instrumentalities; the state of Kansas and its political subdivisions, (including school districts, counties, and cities); elementary and secondary schools, non-commercial educational television and radio stations; nonprofit blood, tissue, and organ banks; nonprofit educational institutions, nonprofit 501(c)(3) historical societies and museums; nonprofit hospitals; nonprofit 501(c)(3) primary care clinics and health centers; nonprofit 501(c)(3) religious organizations; and nonprofit 501(c)(3) zoos.

LINE 3 — Subtract line 2 from line 1 and enter the result on line 3. This is your net receipts subject to the environmental surcharge.

LINE 4 — Multiply the amount on line 3 by 2.5% and enter the result on line 4.

LINE 5 — If you are filing a late return, multiply line 4 by the applicable penalty. Penalty and interest is due if the return is not filed by the due date. Information regarding the current and prior penalty/interest rates can be obtained from our website: ksrevenue.org

LINE 6 — If you are filing a late return, multiply line 4 by the applicable interest. Information regarding the current and prior interest rates can be obtained from our website: ksrevenue.org

LINE 7 — Enter the amount of a **verified** credit memorandum issued by the Kansas Department of Revenue for an overpayment of surcharge fees. The credit memorandum(s) must be enclosed with the return. **NOTE:** A debit memorandum (balance due) must be paid by separate check and returned to the Kansas Department of Revenue.

LINE 8 — Add lines 4, 5, and 6 and subtract line 7. Enter the result on line 8.

PART II (Solvent Distributors Only)

LINE 1 — If you sold or distributed dry cleaning solvents during the reporting period, complete “Schedule II—Dry Cleaning Solvent Fee” and enter the total on line 1. If no dry cleaning solvents were distributed during the reporting period, enter “0”.

LINE 2 — If you are filing a late return, multiply line 1 by the applicable penalty. Information regarding the current and prior penalty rates can be obtained from our website: ksrevenue.org

LINE 3 — If you are filing a late return, multiply line 1 by the applicable interest. Information regarding the current and prior interest rates can be obtained from our website: ksrevenue.org

LINE 4 — Enter the amount of a verified credit memorandum issued by the Kansas Department of Revenue for an overpayment of solvent fee(s). The credit memorandum(s) must be enclosed with the return. **NOTE:** A debit memorandum (balance due) must be paid by separate check and returned to the Kansas Department of Revenue.

LINE 5 — Add lines 1, 2, and 3 and subtract line 4. Enter the result on line 5.

TOTAL AMOUNT DUE — Add line 8 from Part I and line 5 from Part II and enter the result. This is the total amount due.

FINAL STEPS

Make check or money order payable to “Kansas Environmental Surcharge” and write your tax registration number and the period being paid on your remittance. Sign the return and mail with your remittance. DO NOT staple your payment to the DC-1 return or send any other tax payment with this return.

Contact the Kansas Department of Revenue for questions: KDOR-Miscellaneous Tax, PO BOX 758573, Topeka, KS 66675-8573; call 785-368-8222; or email at kdor_miscellaneous.tax@ks.gov