

KANSAS DEPARTMENT OF REVENUE

DESIGNATED OR GENERIC EXEMPTION CERTIFICATE

The undersigned purchaser certifies that the tangible personal property or service purchased from:

Seller: \_\_\_\_\_ Business Name

Business Address: \_\_\_\_\_ Street, RR, or P.O. Box City State ZIP + 4

is exempt from Kansas sales and compensating use tax under K.S.A. 79-3606. The undersigned understands and agrees that if the tangible personal property or services are used other than as stated in its statutory exemption, or are used for any other purpose that is not exempt from sales or compensating use tax, the undersigned purchaser becomes liable for the tax. The unlawful or unauthorized use of this certificate is expressly prohibited, punishable by fine and/or imprisonment.

This certificate shall apply to (check one):

- Single Purchase Certificate. Enter the invoice or purchase order #: \_\_\_\_\_
Blanket Certificate.

Name of Purchaser: \_\_\_\_\_

Purchaser's EIN: \_\_\_\_\_ Foreign Diplomat Number: \_\_\_\_\_

Business Address: \_\_\_\_\_ Street, RR, or P.O. Box City State ZIP + 4

Reason for Exemption. Check the appropriate box for the exemption. Since this is a multi-entity form, not all entities are exempt on all purchases. Only those entities that do not have a Kansas Tax-Exempt Entity Exemption Number may use this certificate to claim an exemption. Kansas-based tax-exempt entities are required to have a Kansas Tax Exempt Entity Exemption Number; non-Kansas tax-exempt entities who regularly do business in Kansas are encouraged to apply for a Kansas Tax-Exempt Entity Exemption Number through our website at www.ksrevenue.org. Tax exempt entities who have been assigned a Kansas Exemption Number (Kansas and non-Kansas based) must use their numbered Tax-Exempt Entity Exemption Certificate (Form PR-78) issued by the Kansas Department of Revenue to claim their exemption; they cannot use this certificate.

- Drill bits & explosives actually used in oil and gas exploration and production, K.S.A. 79-3606(pp).
Educational materials purchased for free public distribution by a nonprofit corporation organized to encourage, foster, and conduct programs for the improvement of public health, K.S.A. 79-3606(ll).
Materials purchased by community action groups or agencies to repair or weatherize housing occupied by low income individuals, K.S.A. 79-3606(oo).
Medical supplies and equipment purchased by a nonprofit skilled nursing home or intermediate nursing care home, K.S.A. 79-3606(hh).
Qualified machinery and equipment purchased by an over-the-air free access radio or TV Station, K.S.A. 79-3606(zz).
Seeds, tree seedlings, fertilizers and other chemicals, and services used to grow plants to prevent soil erosion on agricultural land, K.S.A. 79-3606(mm).
Foreign Diplomat.
Newly Legislated Exemption. Briefly describe the exemption and enter the statute reference or enter the year and number of the Bill authorizing the exemption.
Community-based facility for people with intellectual disability or mental health center, K.S.A. 79-3606(jj).
Elementary or secondary school (public, private or parochial), K.S.A. 79-3606(c).
Habitat for Humanity, K.S.A. 79-3606(ww).
Noncommercial educational TV or radio station, K.S.A. 79-3606(ss).
Nonprofit blood, tissue or organ bank, K.S.A. 79-3606(b).
Nonprofit public or private educational institution, K.S.A.79-3606(c).
Nonprofit hospital or public hospital authority, K.S.A. 79-3606(b).
Nonprofit museum or historical society, K.S.A. 79-3606(qq).
Nonprofit, nonsectarian youth development organization, K.S.A. 79-3606(ii).
Nonprofit religious organization, K.S.A. 79-3606(aaa).
Nonprofit zoo, K.S.A. 79-3606(xx).
Parent-Teacher Association or Organization, K.S.A. 79-3606(yy).
Primary care clinics and health centers serving the medically underserved, K.S.A. 79-3606(ccc).
Rural volunteer fire fighting organization, K.S.A. 79-3606(uu).

Authorized Signature: \_\_\_\_\_ Employer ID Number (EIN): \_\_\_\_\_ Officer, Office Manager or Administrator

Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_

THIS CERTIFICATE MUST BE COMPLETED IN ITS ENTIRETY. PLEASE REFER TO THE INSTRUCTIONS FOR USE OF THIS CERTIFICATE ON THE REVERSE.

# ABOUT THE DESIGNATED EXEMPTION CERTIFICATE, FORM ST-28

**IMPORTANT: This is a multi-entity form; not all entities are exempt on all purchases.**

## WHO MAY USE THIS CERTIFICATE

This exemption certificate is used either to claim a sales and use tax-exemption present in Kansas law not covered by other certificates, or by a non-Kansas tax-exempt entity not in possession of a Kansas Tax-Exempt Entity Exemption Certificate, Forms PR-78, discussed below.

### FOREIGN DIPLOMATS

Foreign diplomats must provide their foreign diplomat number issued by the Office of Foreign Missions of the U. S. State Department on this exemption certificate. Additional information about this exemption is in our [Notice 04-09](#) on our website.

Buyers claiming exemption based on how the item will be used (Resale, Retailer/Contractor, Ingredient or Component Part, Agricultural, etc.) must use the specific certificate (form type ST-28) designed for each of those exempt uses under the law. The U.S. Government, its agencies and instrumentalities must also continue to use Form ST-28G designed for their exemption.

### TAX-EXEMPT ENTITY EXEMPTION CERTIFICATES (FORMS PR-78)

To assist retailers in identifying the nonprofit entities exempt from paying Kansas sales and use tax, the Kansas Department of Revenue has issued Tax-Exempt Entity Exemption Certificates effective January 1, 2005. Issued first to Kansas-based entities, these are individual, uniquely numbered exemption certificates issued only by the department. Each certificate contains the entity's name and address, the statute cite of the exemption and the entity's Kansas Exemption Number. This number is separate and apart from any sales tax registration number used to collect tax from their customers. To claim its exemption, the registered exempt entity must merely provide a completed, signed copy of its PR-78 to the retailer. Tax exempt entities who have been assigned a Kansas Exemption Number (Kansas and non-Kansas based) **may NOT use the Designated or Generic Exemption Certificate (Form ST-28) to claim exemption.**

Kansas-based tax-exempt entities are required to obtain a Kansas Tax-Exempt Entity Exemption Number. Tax-exempt entities (schools, nonprofit hospitals, etc.) from other states who regularly do business in Kansas are encouraged to obtain a Kansas Tax-Exempt Entity Exemption Certificate from the Kansas Department of Revenue. To obtain a uniquely numbered certificate, complete the application on our website at [ksrevenue.org](http://ksrevenue.org).

## GENERAL EXEMPTION RULES

An exemption certificate is complete only when all the requested information is provided. Please print or type all information, except for the authorized signature. Addresses must include the street or PO Box, city, state and zip code.

### DIRECT PURCHASE.

Generally, an exemption applies only to direct purchases of tangible personal property or taxable repair services by an exempt entity for its exclusive use. A direct purchase is one that is billed directly to the exempt entity, and/or paid for with entity funds (check or credit card). Purchases made by employees or agents of the exempt entity with their personal funds are fully taxable, even when the employee/agent is reimbursed the expense by the exempt entity.

A direct "purchase" of tangible personal property includes the rental or lease of tangible personal property. The direct purchase of "services" are the taxable labor services of repairing, servicing,

altering or maintaining tangible personal property, and the labor services (not materials) of a contractor on a real property project.

### CONSTRUCTION, REMODEL OR REPAIR PROJECTS

Qualifying entities may purchase the labor services of a contractor (whether working on tangible personal property or real property) without tax using this certificate. However, *indirect* purchases of materials and labor on real property projects are taxable. Materials furnished by or through a contractor or the materials and/or labor furnished by a subcontractor for the construction, reconstruction or repair of *real property* are not exempt with this certificate, as they are not a direct purchase by the entity. Therefore a contractor's invoice will include (and the entity must pay) the sales tax paid or accrued by the contractor on any materials, parts and subcontractor invoices for the project.

### PROJECT EXEMPTION CERTIFICATES (PECs)

A PEC is a numbered document issued only by the Kansas Department of Revenue or its authorized agent. As the name implies, a PEC exempts the entire project – materials and labor – from sales or use tax. Not all entities are eligible to obtain a PEC. Contact the department at 785-368-8222 for more information.

### RETAILER RECORD KEEPING

Retailers must keep a copy of this completed certificate with your other sales tax records for a period of at least three years from the date the certificate is signed and presented to you. A seller is relieved of liability for the tax if it obtains a completed exemption certificate from a purchaser with which the seller has a recurring business relationship. A certificate need not be renewed or updated when there is a recurring business relationship between the buyer and seller. A recurring business relationship exists when a period of no more than 12 months elapses between sales transactions.

### PENALTIES FOR MISUSE

A buyer who issues an exemption certificate in order to unlawfully avoid payment of the tax for business or personal gain is guilty of a misdemeanor, and upon conviction may be fined up to \$1,000 or imprisoned for up to a year, or both.

## TAXPAYER ASSISTANCE

Additional information about each exemption is in our [Publication KS-1520](#), Kansas Exemption Certificates. This publication, as well as Notices and other written advice on Kansas taxes and exemptions are available from the Policy Information Library on the department's website at [www.ksrevenue.org](http://www.ksrevenue.org). Since Kansas exemptions are not always of general application, you are encouraged to consult the website or the department with specific taxability issues.

If you have questions, you may contact the Kansas Department of Revenue:

By mail	Walk-in
Tax Operations	Taxpayer Assistance Center
Docking State Office Building	Scott Office Building
915 SW Harrison St.	120 SE 10th Ave.
Topeka, KS 66612-1588	Topeka, KS
	Phone: 785-368-8222
	Fax: 785-291-3614