

General Automotive Repair & Restoration

The taxability of sales and purchases of tangible personal property and labor services by General Automotive Repair & Restoration industries are summarized below. This list is not all-inclusive.

Purchases by General Automotive Repair & Restoration Industries:

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' 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 retailer's 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 for use	Exempt or Taxable
Tools, materials and equipment used in the course of business such as; wrenches, air compressor, blasting equipment & materials, creeper, paint stripper, grinder, auto jig, lift, dent puller, transmission stand, drills, tin cutters, welder, plasma cutter, rasp and files, brushes, rags, spray gun, sander, bar clamps, hammers, tape measures, putty knives, blades, screwdrivers, saws, pliers, etc.	Taxable
Subcontracted services such as brake disc or drum turning, windshield replacement, etc. A resale exemption certificate needs to be provided to the subcontractor.	Exempt
Upholstery fabric used for repair or restoration.	Exempt
Disposal services (hauling away of used oil, chemicals)	Exempt
Items consumed in performing repairs such as: tac rags, sand paper, masking tape, masking paper/plastic, emery cloth, steel wool, etc. A Consumed In Production Exemption Certificate needs to be presented at time of purchase.	Exempt
Chemicals consumed in performing repairs such as: paint, paint remover, thinners, glue, polish, wax. A Consumed In Production Exemption Certificate needs to be presented at the time of purchase.	Exempt
Parts purchased for resale-installed on customers' vehicles.	Exempt
Freight or delivery charges on items to rent or resell.	Exempt
Freight or delivery charges, billed by the vendor, on purchases subject to sales/use tax	Taxable
Merchandise withdrawn from resale inventory for store use or consumption.	Taxable
Uniforms, uniform rental charges, shop apparel, linen supplies, oil rags, shop towels, etc.	Taxable
Machines and software along with manufacturer's software updates/upgrades for diagnostic machines and other specialty equipment used to analyze vehicle problems for repair purposes.	Taxable
Shelving, display racks, checkout counters, storage cabinets, display cases, bar code scanners, cash registers, cash register supplies, bins, boxes, etc	Taxable
Safety equipment such as gloves, glasses, burn suits, ear plugs, hard hats, back support belts, etc	Taxable
Janitorial supplies such as toiletries, vacuums, sweepers, scrubbers, floor waxers, carpet cleaners, rags, etc.	Taxable
Motor vehicle fuel (gas & diesel) purchased for off road use when purchased without paying the motor fuel excise tax. This includes fuel for which the motor fuel tax (road tax) has been refunded to you.	Taxable
Equipment such as but not limited to motor vehicles, forklifts, pallet trucks, lift trucks, hydraulic equipment, conveyors, dollies, ladders, batteries and chargers, fans, dock plates, etc. including the charges for repair and/or maintaining said equipment	Taxable
Business cards, office supplies, such as, paper, pens, pencils, labels, calculators, etc.	Taxable
Office furniture and fixtures, including but not limited to: desks, lamps, tables, chairs, shelving, plants, planters, artwork, signs	Taxable
Laptop and desktop computers, copiers, printers, fax machines, calculators and other similar equipment.	Taxable
Canned Software and 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 = software developed for a single end user	Exempt
Newspaper and magazine subscriptions, reference books and materials, forms, printed matter (including promotional brochures, etc.), business cards, notepads	Taxable
Lease or rental of any tangible personal property - copier, fax, vehicle	Taxable
Repairs and maintenance to existing buildings, and existing covered structures.	Taxable
Parts and labor services of repairing, servicing, altering or maintaining tangible personal property, such as computers, printers, copiers, security equipment, forklifts, hydraulic equipment, dollies, etc.	Taxable
Warranty or service agreements for tangible personal property such as, computers, printers, copiers, security equipment, etc.	Taxable

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Purchases for use continued

Exempt or Taxable

Advertising as in newspapers, radio, television, etc.	Exempt
Cleaning services, plant watering and care	Exempt
Professional Services such as legal or accounting services	Exempt
Break room supplies such as microwaves, refrigerators, tables, chairs, paper products, etc.	Taxable
Tangible personal property purchased for resale and taken out of inventory to be given away or donated to a tax exempt entity.	Exempt
Tangible personal property to be given away or donated.	Taxable
Complimentary bottled water, soft drinks, coffee, creamer, sugar, cups and stir sticks, balloons, stickers, pens and candy	Taxable
Trash removal	Exempt
Promotional items including but not limited to calendars, mugs, and items of clothing	Taxable
Security cameras, mirrors, security tags, tag detachers, countertop deactivators, all other 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 that is 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 outside printer or the costs of all materials if produced by the store.	Taxable

The taxability of sales of tangible personal property and labor services by General Automotive Repair & Restoration industries is summarized below. This list is not all inclusive. The applicable sales tax must be collected unless the purchaser provides a valid exemption certificate*.

Sales

Exempt or Taxable

Sales of tangible personal property (including freight, shipping and delivery charges).	Taxable
Charges for subcontracted repair services (billed to your customer on your invoice)	Taxable
Gross receipts from service and repair to tangible personal property.	Taxable
Warranty, maintenance and service agreements for tangible personal property.	Taxable
Warranty work with no charge to customer.	Exempt
Repairs paid by insurance companies under liability, collision or comprehensive personal or commercial automobile insurance policies and deductibles paid by the customer under insurance policies.	Taxable
Parts sold to be used on vehicles qualifying for ICC exemption - exemption certificate must be provided at time of purchase. (Labor services are not exempt)	Exempt
Charges for detailing a customer's vehicle.	Taxable
Repair services for resale (with valid exemption certificate)	Exempt
Gift Cards or Certificates	Exempt

*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 any amounts collected from the customer including any charges billed for freight, delivery or special handling.