

Information Guide

Identifying Information: Graphic Design Services Self-Audit Fact Sheet
Tax Type: Kansas Retailers' Sales Tax
Brief Description: Graphic Design Services Self-Audit Fact Sheet
Keywords:
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Body:

KANSAS DEPARTMENT OF REVENUE
AUDIT SERVICES
GRAPHIC DESIGN SERVICES SELF-AUDIT FACT SHEET

| Graphic Design Services | |
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| <i>Purchases by Graphic Design Services</i> | |
| <i>The taxability of purchases of tangible personal property and labor services by Graphic Design service providers is summarized below. Sales tax should be paid to the vender or accrued and paid directly to the</i> | |
| <i>State of Kansas. A properly completed exemption certificate should be provided to your vendor for all purchases made without tax.</i> | |
| Furniture and fixtures, including but not limited to: desks, lamps, tables, chairs, shelving, plants, planters, artwork, signs | Taxable |
| Copiers, printers, and fax machines | Taxable |
| Laptop & desktop computers | Taxable |
| Cameras of any type, calculators, printers and other similar equipment | Taxable |
| Promotional brochures, and advertising booklets | Taxable |
| 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 = software originally developed for a single end user. | Taxable on and after July 1, 2002 through December 31, 2004 - Exempt all other periods |

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| 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 | Taxable |
| Security cameras and other security equipment | Taxable |
| Office utilities | Taxable |
| Advertising in newspapers, radio, television, etc | Exempt |
| Promotional items including but not limited to: calendars, mugs and items of clothing | Taxable |
| Complimentary items such as balloons, stickers, pens and candy | Taxable |
| Complimentary bottled water, soft drinks, coffee, creamer, sugar, cups and stir sticks | Taxable |
| Shredding services | Exempt |
| Cleaning services, plant watering and care | Exempt |
| Trash removal | Exempt |
| Continuing Education courses | Exempt |
| Repair and remodeling labor services to real estate | Taxable |
| Labor services on original construction of new building or facility | Exempt |
| Parts and labor services of repairing, servicing, altering or maintaining tangible personal property, such as computers, printers, copiers, security equipment, etc. | Taxable |
| Warranty or service agreements for tangible personal property such as, computers, printers, copiers, security equipment, etc. | Taxable |
| Professional services such as legal or accounting services | Exempt |
| Office and art supplies such as paper, pens, pencils, markers, paints, poster board, glue easels etc | Taxable |

Sales by Graphic Design Services

The taxability of sales of tangible personal property and labor services by Graphic Design service providers

is summarized below. The applicable sales tax must be collected unless the purchaser provides a proper

exemption certificate.

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| Consulting | Exempt |
| Art Direction (supervision of work-in-process) | Exempt |
| Design | Exempt |
| Illustrations (finished visual images or graphics) | Taxable |

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| Labor services for installing or maintaining tangible personal property at a residence or commercial property | Taxable |
| Furnishings including but not limited to: furniture, carpeting, rugs, wall coverings, artwork, plants, pillows, accessories, lighting equipment, picture framing, etc. | Taxable |
| Labor services on real property: (Note: To calculate the taxable portion of a job use the following formula; Gross sales, Less Subcontractors, Less taxed job materials = total labor) | |
| Total labor for improvement to real property at a residence | Exempt |
| Total labor for improvement to real property at a commercial location | Taxable |

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