

Information Guide

Identifying Information: Real Estate Agents/Brokers/Property Management Firms Self-Audit Fact Sheet
Tax Type: Kansas Retailers' Sales Tax
Brief Description: Real Estate Agents/Brokers/Property Management Firms Self-Audit Fact Sheet
Keywords:
Approval Date: 06/26/2006

Body:

KANSAS DEPARTMENT OF REVENUE
 AUDIT SERVICES
 REAL ESTATE AGENTS/BROKERS/PROPERTY MANAGEMENT FIRMS
 SELF-AUDIT FACT SHEET

Real Estate Agents/Brokers/Property Management Firms	
Purchases by Real Estate Agents/Brokers/Property Management Firms	
<i>The taxability of purchases of tangible personal property and labor services by Real Estate Agents/Broker service providers is summarized below. Sales tax should be paid to the vendor or accrued and paid directly to the State of Kansas. A properly completed exemption certificate should be provided to your vendor for all qualified purchases made without sales tax, unless item is specifically exempted by statute.</i>	
Furniture and fixtures, including but not limited to: desks, lamps, tables, chairs, shelving, plants, planters, artwork, signs, flooring	Taxable
Copiers, printers, and fax machines	Taxable
Laptop and desktop computers	Taxable
Calculators	Taxable
Cameras of any type, printers and other similar equipment	Taxable
Software and software upgrades and labor services to modify, alter, update or maintain canned 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
	Taxable
Lease or rental of any tangible personal property - copier, fax, vehicle	Taxable
Security cameras and other security equipment	Taxable
Office utilities	Taxable
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
Advertising as in newspapers, radio, television, signs, etc	Exempt
Shredding services	Exempt
Cleaning services, plant watering and care	Exempt
Trash removal	Exempt
Continuing education courses (course materials are taxable)	Exempt
Purchase or lease of real estate, Insurance	Exempt
Repair and remodeling labor services to commercial real estate	Taxable
Labor services on original construction of new building or facility	Exempt
Repair and remodeling labor services to residential real estate	Exempt
Materials and labor services of repairing, servicing, altering or maintaining tangible personal property, such as computers, printers, copiers, ATMs, security equipment, etc.	Taxable
Warranty or service agreements for tangible personal property such as computers, printers, copiers, ATMs, security equipment, etc.	Taxable
Newspaper and magazine subscriptions, reference books and materials, forms, printed matter (including promotional brochures, etc.), business cards, notepads	Taxable
Professional services such as accounting or legal services	Exempt
Tangible property to be given away or donated	Taxable
Sales by Real Estate Agents/Brokers/Property Management Firms	
<i>The taxability of sales of tangible personal property and labor services by Real Estate Agents/Broker providers is summarized below. The applicable sales tax must be collected unless the purchaser provides the proper exemption certificate, if applicable.</i>	
Real Estate	Exempt
Consulting, accounting and bookkeeping services	Exempt
Sale of company vehicles	Taxable "isolated or occasional sale," the buyer is required to pay the sales tax upon registration
Software and software upgrades and labor services to modify alter, update or maintain canned software	registration
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)	Taxable
Total labor for improvement to real property at a residence	Exempt
Total labor for improvement to real property at a commercial location (unless labor is for the original construction of a building or facility)	Taxable

Date Composed: 07/06/2006 Date Modified: 07/06/2006