

KANSAS DEPARTMENT OF REVENUE

SCHOOL OR EDUCATIONAL INSTITUTION EXEMPTION CERTIFICATE

The undersigned **school or educational institution** certifies that the tangible personal property or service purchased from:

Seller: _____
Business Name

Address: _____
Street, RR, or P. O. Box City State Zip + 4

is exempt from Kansas sales and compensating use tax for the following reason:

K.S.A. 79-3606(c) exempts all sales of tangible personal property and services, including the renting or leasing of tangible personal property, purchased **directly** by a public or private elementary or secondary school or public or private nonprofit educational institution. The property or services will be used primarily by such schools or educational institutions for nonsectarian programs and activities provided or sponsored by them, or in the erection, repair or enlargement of buildings to be used for such purposes. **EXCEPTION:** This exemption does not apply to property or services used to erect, construct, repair, enlarge or equip buildings used primarily for human habitation.

Description of tangible personal property or services purchased:

The undersigned understands and agrees that if the tangible personal property or services are used other than as stated above or for any other purpose that is not exempt from sales or compensating tax, the undersigned purchaser becomes liable for the tax.

Purchaser: _____
Name of School or Educational Institution

Address: _____
Street, RR or P. O. Box City State Zip + 4

Authorized Signature: _____ Date: _____

THIS CERTIFICATE MUST BE COMPLETED IN ITS ENTIRETY.

WHO MAY USE THIS EXEMPTION?

Elementary, junior high, middle schools, and high schools, whether they are public, private or parochial, are entitled this exemption. Exempt nonprofit educational institutions include: universities, colleges, junior colleges, community colleges, vocational-technical schools, and nonprofit business colleges. Since July 1, 1998, nonprofit endowment associations and foundations that operate exclusively for the support and benefit of an educational institution, nonprofit entities whose principal purpose is to hold and disperse receipts from intercollegiate sporting events along with grants and gifts to benefit athletic programs of an educational institution, nonprofit research organizations, and a group of educational institutions operating exclusively for an educational purpose (such as the NCAA) are also exempt as an "educational institution."

WHAT PURCHASES ARE EXEMPT?

Direct purchases of tangible personal property or labor services (except as noted below) may be purchased without tax with this certificate. A direct purchase is one that is billed to the school and paid for with school funds. Purchases by teachers, employees, parent, or alumni associations with their personal funds are TAXABLE. A school or educational institution may also purchase electricity, gas, water or heat without sales tax; claim this exemption on Form ST-28B, Utility Exemption Statement.

CONSTRUCTION, REMODELING OR REPAIR PROJECTS

Only a contractor's labor services may be purchased without tax; materials purchased through a contractor are NOT considered to be a direct purchase. When a school or nonprofit educational institution contracts with a contractor, subcontractor, or repairman to build, repair, or maintain school property, the contractor must pay sales tax on all the materials used and will pass this cost along to the school unless a Project Exemption Certificate has been obtained. Schools and educational institutions should complete a Request for Project Exemption Certificate, Form PR-76, for any construction, remodeling, or repair project. **Exception for Human Habitation Projects (Dormitories):** To determine whether the materials or service purchased by a school for a dormitory is taxable or exempt, the general rule is that capital items are taxable, and maintenance is exempt. Since 7/1/98, labor services on dormitories are exempt as residential construction; materials purchased for dormitory projects are generally taxable. **TAXABLE** capital dormitory purchases include: materials for construction, remodeling, or repair due to **damage**, and the purchase of furnishings, such as beds, blinds, curtains, desks, furniture, lamps and wardrobes. **EXEMPT** dormitory maintenance includes repairs due to normal wear and tear, and elevator or pest control maintenance contracts.