

# Animal Breeders, Kennel Operators Taxability Information Guide

The taxability of sales and purchases of tangible personal property and labor services by companies or individuals in the Breeding and Kennel Operating Industry are summarized below. This list is not all-inclusive.

## Purchases by Animal Breeders, Kennel Operators

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' compensating 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 retailers' 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	Taxable or Exempt
Equipment and fixtures used for breeding and kennel services such as boxes, liners, heated pads, kennel covers, thermometers, riding equipment, stable supplies, heating lamps, syringes, tanks, cages.	Taxable
Purchases of animals used as breeding stock.	Exempt
Fees charged for stud and veterinarian services.	Exempt
Food, supplies and equipment purchased for use when providing training and/or boarding services for animals.	Taxable
Utilities including but not limited to electricity, gas and water.	Taxable
Educational materials, posters, or other literature.	Taxable
Consumable items used in breeding services such as lubricants, supplements.	Exempt
Food, flea control, vaccinations, drugs, collars (if sold with the animal) or provided for animals that will be sold.	Exempt
Paper bags, plastic bags, wire, ties, tape, bubble wrap, gift boxes and gift wrap and other materials to be used for items sold.	Exempt
Knives, staplers, wire cutters, gloves, safety glasses, hard hats, back support belts.	Taxable
Merchandise purchased for resale or rental to customers, including freight or delivery charges.	Exempt
Merchandise withdrawn from resale inventory for store use or consumption (including for use during instructional classes).	Taxable
Tangible personal property to be given away or donated (Items that are given away or donated to a tax exempt entity are not subject to sales tax).	Taxable
Complimentary items such as bottled water, soft drinks, coffee, creamer, sugar, cups and stir sticks, and candy.	Taxable
Promotional items, including but not limited to, calendars, mugs, pens and items of clothing.	Taxable
Freight or delivery charges, billed by the vendor, on purchases subject to sales/use tax.	Taxable
Reference books and materials, newspaper and magazine subscriptions, forms, printed matter (including promotional brochures, etc.), business cards, notepads, etc.	Taxable
Office supplies such as office forms, staplers, paper, pens, pencils, labels, ink, toner and ribbon cartridges.	Taxable
Laptop and desktop computers, copiers, printers, fax machines, calculators, telephones and other similar equipment.	Taxable
Furniture and fixtures, including but not limited to, desks, lights, tables, chairs, plants, planters, artwork and signs.	Taxable
Shelving, display racks, checkout counters, storage cabinets, display cases, bar code scanners, cash registers, cash register supplies, bins, boxes, etc.	Taxable
Break room supplies such as microwaves, refrigerators, tables, chairs, and paper products.	Taxable
Equipment included, but not limited to, motor vehicles, hydraulic equipment, dollies, ladders, batteries and chargers, fans, including the charges for repair and/or maintaining said equipment.	Taxable
Lease or rental of any tangible personal property such as copiers, fax machines, equipment, or vehicles.	Taxable
Software or databases accessed via the internet and not installed on owned or leased computers or servers.	Exempt
Parts and labor services of repairing, servicing, altering or maintaining tangible personal property, such as computers, printers, copiers and security equipment.	Taxable
Warranty or service agreements for tangible personal property such as computers, printers, copiers and security equipment.	Taxable

**Purchases continued:****Taxable or Exempt**

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 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 an outside printer, or the costs of all materials if produced by the store.	Taxable
Exterior building or parking lot signage, including charges for parts and labor for repairs and maintenance.	Taxable
Advertising as in newspapers, radio, or television.	Exempt
Professional services such as legal or accounting services.	Exempt
Canned 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 is software developed for a single end user.	Exempt
Software or databases accessed via the internet and not installed on owned or leased computers or servers.	Exempt
Labor services on <b>original construction</b> of a new building or facility.	Exempt
Labor services for repairs, maintenance and remodeling of <b>existing</b> commercial buildings or facilities.	Taxable
Security cameras, mirrors, security tags, tag detachers, countertop deactivators, all other security equipment.	Taxable
Security systems monitoring service.	Exempt
Cleaning services (except when applying products such as wax, scotch guard, etc), plant watering and care.	Exempt
Janitorial supplies such as vacuums, carpet cleaners, sweepers, scrubbers, floor waxers, rags, and toiletries.	Taxable
Trash removal, shredding services.	Exempt
Linen services.	Taxable
Pest control materials and supplies.	Taxable

**Sales by Breeders / Kennel Operators**

\*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. **Animals are tangible personal property and taxable. Tax should be collected by the retailer regardless of the number of litters produced, number of animals sold, or other licensing/registration requirements.** A retailer is a seller regularly engaged in the business of selling tangible personal property at retail." Gross receipts include amounts collected from the customer such as charges billed for freight, delivery or special handling. Sales made from a fixed location are taxed at the rate of the fixed location. Deliveries made to customers within the State of Kansas are subject to the tax rate where the delivery is made. Deliveries and shipments to another state may be subject to the other state's tax.

The taxability of sales of tangible personal property and labor services by Breeders and Kennel Operators is summarized below. This list is not all inclusive.

<b>Sales</b>	<b>Taxable or Exempt</b>
Sales of tangible personal property, included but not limited to, sale of animals, toys, beds, clothes, leashes, crates, grooming supplies, urns, memorial markers and plaques. (including freight, shipping and delivery charges).	Taxable
Sales of animals for the following uses: family pet, hunting, racing, show, pleasure, therapy, comfort, or service.	Taxable
Charges for grooming services such as haircuts, bathing, nail trimming, and flea dips.	Taxable
Sales of animals used <b>exclusively</b> for breeding stock.	Exempt
Sales of animals previously used as breeding stock.	Taxable
Boarding fees.	Exempt
Charges for services such as but not limited to: engraving, glass etching, and gift wrapping.	Taxable
Gift Cards or Certificates.	Exempt
Animal training classes.	Exempt
Cremation fees	Exempt
Pet care services at client's location such as feeding, exercising and animal waste removal.	Exempt