

For-Profit Hospitals, Surgical, Dialysis and other Medical Facilities

Taxability Information Guide

The taxability of sales and purchases of tangible personal property and labor services by companies in the For-Profit Hospitals, Surgical, Dialysis and other Medical Facilities Industry are summarized below. This list is not all-inclusive.

Purchases by For-Profit Hospitals, Surgical, Dialysis and other Medical Facilities:

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
Cribs, bassinets, changing stations and infant beds	Taxable
Gowns, bibs, aprons, smocks, lab coats, mealtime protectors, face masks	Taxable
Hot and cold packs, elastic bandages, band aids, scissors, forceps, nose clips, gauze bandages and dressings, alcohol, alcohol pads, tongue depressors, gel packs, basins, medical kits for treatment and testing, etc.	Taxable
Medical equipment such as wheelchairs, walkers, canes, crutches, and rollators, used at the hospital or medical facility, including wheelchair cushions, braces and supports that do not become part of the chair	Taxable
Bath chairs and benches, raised toilet seats, toilet safety frames, and bed pans	Taxable
Braces, supportors, cushions, mats and wedges for arms, legs, ankles, back, lumbar etc used at the hospital or medical facility	Taxable
Sterilizers, air purifiers and warming cabinets	Taxable
Equipment used to provide medical services including but not limited to: injection, lab and blood drawing chairs, instrument stands, treatment tables, step stools, examination and surgery lights and lamps, height and weight measuring devices and scales, microscopes, protective eye gear, medication measuring scales and devices, scalpels, needles etc.	Taxable
Patient safety equipment such as patient slings and lifts, lift chairs and seats, patient monitors and alarms, rehabilitation and physical therapy equipment such as parallel bars, exercise balls, weights, whirlpools etc.	Taxable
Diagnostic devices and equipment including: thermometers, stethoscopes, otoscopes and other scopes and illuminators, blood pressure monitors and cuffs, cameras, x-ray equipment, x-ray wraps and aprons, biopsy punches, etc.	Taxable
Disposable briefs and underwear, absorbent pads, bed pads, nursing pads, etc.	Taxable
Items purchased for resale in a hospital operated gift shop, cafeteria, lunch room or dining room	Exempt
Prescription drugs, insulin	Exempt
Educational materials, posters, literature, anatomical models and charts etc.	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
Purchases continued	Taxable or Exempt
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
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
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 original construction of a new building or facility.	Exempt
Labor services for repairs, maintenance and remodeling of existing 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 For-Profit Hospitals, Surgical, Dialysis and other Medical Facilities:	
*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 amounts collected from the customer such as charges billed for freight, delivery or special handling.	
The taxability of sales of tangible personal property and labor services by For-Profit Hospitals, Surgical, Dialysis and other Medical Facilities is summarized below. <u>This list is not all inclusive.</u>	
Sales	Taxable or Exempt
Charges for providing medical services	Exempt
Dietary supplements prescribed by licensed or mid-level practitioner, (seller must retain documentation of the prescription to document the exemption)	Exempt
Nonprescription drugs, dietary supplements etc.	Taxable
Prescription drugs, mobility enhancing equipment, oxygen delivery equipment, enteral feeding systems, kidney dialysis equipment, and prosthetic devices prescribed to individual patients, (seller must document the exemption)	Exempt

Sales of tangible personal property (including freight, shipping and delivery charges) by a hospital operated gift shop, including but not limited to: clothing, books, magazines, newspapers, jewelry, cosmetics, food, drinks, flowers, plants, etc.	Taxable
Sales of food and beverage by a cafeteria, lunch room, or dining room that is available for use by the general public	Taxable