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### **Kansas Department of Revenue (KDOR) Tax Tips for Kansas Fireworks Sellers**

**Operations of Stands - June 27 - July 5, local ordinances may apply.**

**All Fireworks purchase s must be from a distributor who holds a Kansas Permit.**

**Fireworks** are a “**Seasonal Business**”. Normally, filing June and/or July each year.

- **KSA 79-3608(b)** the retailer needs a separate registration certificate for each place of business;
- **KAR 92-19-2a(a)(4)** Each retailer shall file a separate application and secure a separate certificate for each place of business. Any retailer that operates at more than one location under the same ownership may request permission to file that retailer’s tax returns on a combined or consolidated basis. Contact Sandy Benton at 785-577-2265 for more information.

**NAICS code** for fireworks stands (for temporary or permanent) is: **453998** .

**Active business operator** adding a firework stand, must submit a form CR-17 (Kansas Registration Schedule for Additional Business Locations).

**Multiple firework locations** - to file all stands using one fireworks sales tax account, submit a CR-17 form and a detailed list or spreadsheet of all locations. See attached CR-17 as an example of required individual location information.

A valid “**Sales Tax Registration Certificate** ” shall be posted in public view wherever and whenever sales are made. **Pub KS-1510 page 11.**

**ALL sales** are taxable unless specifically exempted by law. **Pub KS-1510 or KSA 79-3606.**

A “**Sale**” is any transfer, exchange or barter in any manner or by any means whatsoever for a consideration and includes all sales made by any person, whether the principal, proprietor, agent, servant or employee. **[Subsection (z) of K.S.A. 41-102]**

“**Bartering**” is taxable in Kansas. The selling price, which must be added to gross sales; is the total consideration given in any transaction whether in the form of money, rights, property, promise or anything of value or by exchange or barter. **KAR 92-19-46.**

“**Rental**” The **retail sale, rental , or lease of tangible personal property** , including the sale or furnishing of utilities within the state of Kansas is taxable. **Pub KS-1510 page 3.**

“**Delivery Fees** ” Charges to the customer for handling and delivery are taxable. The sales tax is due whether the charge is included in the sales price, stated separately, or billed separately. **Pub KS-1510 page 14.**

Kansas has over 900 taxing jurisdictions. It is imperative the vendor identify the correct jurisdiction code and tax percentage assigned to the jurisdiction in which they are selling and collect and remit accordingly. **Pub KS-1510 pages 3, 14 & 22.**

**Sales tax address tax rate locator** - <https://www.ksrevenue.org/streamline.html> .

**ALL** amounts collected as sales tax must be remitted to the KDOR. If too much tax is collected, it must be refunded to the customer **or** remitted to the state. The vendor must never retain even 1 cent of sales tax collected. **Pub KS-1510 page 11.**

“**Under-collection of sales tax** ” the vendor is responsible for paying under collected sales tax. The vendor is 100% responsible for collecting and remitting the correct amount of sales tax to the correct jurisdiction. The vendor may be held personally liable for any unpaid tax balance regardless of business structure. **Pub KS-1510 page 27.**

**“KS Pub-1510”** - Kansas Department of Revenue Sales Tax and Compensating Use Tax Guide. [www.ksrevenue.org](http://www.ksrevenue.org)

#### **Definitions for items reported on the ST-36 Retailers Sales Tax Report:**

**Gross Sales** ; the total sales of tangible personal property, taxable services, rental of tangible personal property and admissions less sales tax collected. **Pub KS-1510 pages 11 & 12.**

**Merchandise Consumed** ; **items** taken out of inventory for personal use, for a gift/donation, to be used as customer samples, any property removed from inventory and **used by you that was purchased without tax** . **KS Pub-1510 page 15.**

**Allowable Deductions** ; generally sales tax exempt purchases, usually requiring a tax exemption certificate secured from the buyer. **KS Pub-1510 pages 17 & 18**

**Expenses** such as cost of goods sold, booth rental, travel expense, and etc. are **NOT** deductible on the sales tax return. These items are deductible on the income tax return. **KS Pub-1510 Page 18.**

