

KANSAS DEPARTMENT OF REVENUE
MULTI-JURISDICTION EXEMPTION CERTIFICATE

NOTE: Check applicable state laws for authority to issue this certificate for the uses indicated below.
Review national tax reporting service publications for information about the states that honor this certificate.

Purchaser: _____
Business Name

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

I hereby certify that I am a:

- Wholesaler of: _____
Description of principal product(s)
- Retailer of: _____
Description of principal product(s)
- Manufacturer of: _____
Description of principal product(s)
- Lessor of: _____
Description of principal product(s)
- Other: _____
Description of principal product(s)

and am registered* in the following cities or states:

City or State _____ Registration Number _____

City or State _____ Registration Number _____

* Wholesalers are not required to register with the Kansas Department of Revenue to collect sales tax unless they make retail sales. Retail sales include sales to employees.

The tangible personal property described below which I am purchasing from:

Seller: _____
Business Name

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

will be for wholesale, resale, or as ingredient or component parts of a new product to be resold, leased, or rented in the normal course of my business.

Description of property purchased with this exemption certificate: _____

I further certify that if the property purchased with this certificate is used or consumed so as to make it subject to sales or use tax, I will pay the tax due directly to the proper taxing authority or inform the seller to add tax to the billing. This certificate shall be a part of each order that I may give you in the future and is valid until cancelled by me in writing or revoked by the city or state.

Under the penalties of perjury, I swear or affirm that the information on this form is true and correct as to every material matter.

Authorized Signature: _____ Date: _____

Misuse of this certificate by the seller, lessor, buyer, lessee, or their representative may be punishable by fine, imprisonment, or loss of the right to issue certificates in some cities or states.

CAUTION TO THE SELLER: In order for this certificate to be accepted in good faith, you must exercise care that the property being sold is of a type normally sold wholesale, resold, leased, rented, or used as an ingredient or component part of a product manufactured by the buyer in the usual course of his business. A seller who fails to exercise due care and good judgment in this regard could be held liable for the sales tax due.

THIS CERTIFICATE MUST BE COMPLETED IN ITS ENTIRETY.

ABOUT THE MULTI-JURISDICTION EXEMPTION CERTIFICATE

PURPOSE

The Multi-Jurisdiction Exemption Certificate is used whenever an exempt transaction crosses state lines. In Kansas, it takes the place of a Kansas resale or ingredient or component part exemption certificate when:

- 1) an out-of-state business, taking delivery of inventory or ingredient parts in Kansas, is not registered in Kansas,
OR
- 2) a wholesaler is buying inventory.

A Kansas business buying inventory or ingredient parts in another state may also furnish this certificate to the seller in the other state, subject to the laws of that state.

WHO MAY USE THIS CERTIFICATE?

Businesses and wholesalers from other states that do not have a Kansas sales tax number to furnish for a Kansas ingredient or component part exemption certificate or a Kansas resale exemption certificate must use this certificate to certify that they qualify for these two Kansas exemptions when making purchases in Kansas.

A Kansas wholesaler will use this certificate when buying inventory from either another Kansas business or a business in another state. Wholesalers are not required to obtain a Kansas sales tax number. A Kansas retailer may also use this certificate when purchasing inventory or ingredient or component parts from a retailer or wholesaler in another state.

WHAT PURCHASES ARE EXEMPT?

Only goods and merchandise (tangible personal property) are exempt. To be exempt, the tangible personal property must be for:

- wholesale sale,
- retail sale (resale), rental, or lease,
- an ingredient or component part of a new product to be resold, leased, or rented.

In accepting this certificate, the seller should exercise reasonable care and judgment. The property purchased must be of the type normally sold wholesale or retail, leased or rented, or used as an ingredient or component part of a product manufactured in the customer's usual course of business.

Equipment and fixtures for a business are not exempt. When purchased in Kansas, these items are taxable. When a Kansas business buys equipment or supplies from another state, the Kansas business will owe Consumers' Compensating Use tax on these purchases unless a sales or use tax of at least equal to the Kansas retailers' sales tax rate in effect where the item is used, stored or consumed. See Publication KS-1510, "Kansas Sales and Compensating Use Tax" available on the department's web site.

RETAINING THIS CERTIFICATE: Sellers should retain a completed copy of this certificate in their records for at least three years from the date of sale. A seller is relieved of liability for the tax if it obtains a completed exemption certificate from a purchaser with which the seller has a recurring business relationship. A certificate need not be renewed or updated when there is a recurring business relationship between the buyer and seller. A recurring business relationship exists when a period of no more than 12 months elapses between sales transactions.