

SIGN COMPANIES

The taxability of purchases of tangible personal property and labor services by Sign Companies is summarized below. Sales tax should be paid to the vendor or accrued and paid directly to the State of Kansas. A properly completed exemption certificate should be provided to your vendor for all purchases made without tax.

Purchases by Sign Companies:

Calculators, drafting equipment (other than machines for resale)	Taxable
Chemical applications, including lawn fertilization, seeding, application of ice melt chemicals, pest control services	Taxable
Cleaning services, plant watering and care	Exempt
Complimentary bottled water, soft drinks, coffee, creamer, sugar, cups and stir sticks	Taxable
Complimentary items such as balloons, stickers, pens and candy	Taxable
Copiers, printers, and fax machines (other than machines for resale)	Taxable
Freight charges for items purchased for resale	Exempt
Freight charges for items purchased not for resale	Taxable
Furniture and fixtures, including but not limited to: desks, lamps, tables, chairs, shelving, plants, planters, artwork, signs	Taxable
Laptop & desktop computers (other than machines for resale)	Taxable
Lawn services for mowing, trimming, edging, or tree removal, etc (does NOT include seeding, lawn fertilization, or application of chemicals)	Exempt
Lease or rental of any tangible personal property - copier, fax, vehicle (for own use)	Taxable
Materials used to fabricate, paint, maintain, or repair portable signs that ownership is maintained by the dealer.	Exempt
Materials used to fabricate, paint, maintain, or repair signs/billboards purchased by a sign dealer or custom painter for signs/billboards that ownership is maintained by the dealer.	Taxable
Materials used to fabricate, paint, maintain, or repair signs/billboards purchased by a sign dealer or custom painter for the resale of the signs/billboards.	Exempt
Newspaper and magazine subscriptions, reference books and materials, forms, printed matter (including promotional brochures, etc.), business cards, notepads	Taxable
Office utilities, shop utilities	Taxable
Parts and labor services for repairing, servicing, altering or maintaining tangible personal property, such as computers, printers, copiers, security equipment, etc.	Taxable
Professional services such as accounting or legal services	Exempt
Promotional items including but not limited to: calendars, mugs and articles of clothing	Taxable
Purchase or Lease of real estate, Insurance	Exempt
Security cameras and other security equipment	Taxable
Snow removal/lawn mowing services, trimming, edging, or tree removal, etc.	Exempt
Tools, equipment, and machinery used in the fabrication of signs/billboards	Taxable
Warranty or service agreements for tangible personal property such as, computers, printers, copiers, security equipment, etc.	Taxable

The taxability of sales of tangible personal property and labor services by Sign Companies is summarized below. The applicable sales tax must be collected unless the purchaser provides a proper exemption certificate.

Sales made by Sign Companies:

Freight and shipping charges (when item you are selling and shipping is taxable).	Taxable
Full selling price billed to customer for the sign including fabrication, charges for setting it in place, bolting it down, and wiring it to existing services on existing commercial property.	Taxable
Improvement to real property at a commercial location	Taxable
Improvement to real property at a residential location	Exempt
Labor charges for installing a sign on a new building or for constructing a pylon or base to support a sign for a new building.	Exempt
Labor services for installing or maintaining tangible personal property at a commercial property.	Taxable
Labor services for installing or maintaining tangible personal property at a residential property.	Exempt
Labor services on real property: (Note: To calculate the taxable portion of a job use the following formula; Gross sales, Less Subcontractors, Less taxed job materials = total receipts less tax-paid materials and subcontractor charges)	
Permit charges for taxable jobs even if invoiced separately	Taxable

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Permit costs invoiced separately when no taxable sale or labor services are performed	Exempt
Removal of old signage	Taxable
Rental or lease for the use of a portable advertising sign.	Taxable
Rental or lease of sign/billboard space for advertising messages.	Exempt
Service such as neon light repair, replacement of ballasts or transformer, repair metal work, secure faces, replace light bulbs or electric components done to existing commercial property.	Taxable
Survey charges billed before construction of the sign	Exempt
Survey charges lumped with sign charges	Taxable