

HOUSE BILL No. 2362

By Committee on Appropriations

3-3

9 AN ACT concerning deer; relating to procedures for the taking thereof;
10 concerning certain fees charged by the secretary of wildlife and parks;
11 relating to the feed the hungry fund; amending K.S.A. 2008 Supp. 32-
12 988, 32-995 and 79-3606 and repealing the existing sections.
13

14 *Be it enacted by the Legislature of the State of Kansas:*

15 New Section 1. (a) The secretary of wildlife and parks, by rules and
16 regulations adopted in accordance with K.S.A. 32-805, and amendments
17 thereto, shall provide for a special season in each deer management unit
18 which shall extend by 60 days the time currently prescribed by law for
19 residents and non-residents to take antlerless deer.

20 New Sec. 2. Notwithstanding any provision of law to the contrary,
21 the secretary shall issue nonresident deer permits pursuant to subsection
22 (1) to landowners and tenants applying for such permits, except that the
23 total number of nonresident deer permits of each type specified by rules
24 and regulations that may be issued to landowners and tenants for a deer
25 season in a management unit shall not exceed 50% of the total number
26 of nonresident deer permits of such a type authorized for such season in
27 such management unit. A nonresident deer permit obtained by a land-
28 owner or tenant shall retain the permit's nonresident and species desig-
29 nation, except that such permit shall only be valid within a designated
30 county and one additional county where the qualifying landowner's or
31 tenant's lands are located. The permit shall be transferable, with or with-
32 out consideration, to any resident or nonresident through the secretary
33 at the request of the landowner or tenant. A landowner or tenant pur-
34 chasing a nonresident deer permit pursuant to this subsection shall pay
35 the established fee for a nonresident deer permit.

36 Sec. 3. K.S.A. 2008 Supp. 32-988 is hereby amended to read as fol-
37 lows: 32-988. (a) The secretary is authorized to adopt, in accordance with
38 K.S.A. 32-805 and amendments thereto, rules and regulations fixing the
39 amount of fees for the following items, subject to the following limitations
40 and subject to the requirement that no such rules and regulations shall
41 be adopted as temporary rules and regulations:

42 Big game permits

43 Resident (other than elk permit): maximum \$100

- 1 Nonresident (other than elk permit): maximum \$400
- 2 Elk permit: maximum \$350
- 3 Nonresident mule deer stamp: maximum \$150
- 4 Nonresident applications: maximum \$25
- 5 Combination hunting and fishing licenses
- 6 Resident: maximum \$50
- 7 Lifetime: maximum \$1,000; or 8 quarterly payments, each maximum \$150
- 8 Nonresident: maximum \$200
- 9 Commercial dog training permits: maximum \$25
- 10 Commercial guide permit or associate guide permit
- 11 Resident: maximum \$250
- 12 Nonresident: maximum \$1,000
- 13 Commercial harvest or dealer permits: maximum \$200
- 14 Commercial prairie rattlesnake harvesting permits
- 15 Resident or nonresident with valid hunting license: maximum \$5
- 16 Resident or nonresident nonfirearm without valid hunting license: maximum \$20
- 17 Controlled shooting area operator license: maximum \$400
- 18 Duplicate licenses, permits, stamps and other issues of the department: maximum \$10
- 19 Falconry
- 20 Permits: maximum \$300
- 21 Examinations: maximum \$100
- 22 Field trial permits: maximum \$25
- 23 Fishing licenses
- 24 Resident: maximum \$25
- 25 Lifetime: maximum \$500; or 8 quarterly payments, each maximum \$75
- 26 Nonresident: maximum \$75
- 27 Five-day nonresident: maximum \$25
- 28 Institutional group: maximum \$200
- 29 Special nonprofit group: maximum \$200
- 30 Twenty-four-hour: maximum \$10
- 31 Fur dealer licenses
- 32 Resident: maximum \$200
- 33 Nonresident: maximum \$400
- 34 Furharvester licenses
- 35 Resident: maximum \$25
- 36 Lifetime: maximum \$500; or 8 quarterly payments, each maximum \$75
- 37 Nonresident: maximum \$400
- 38 Game breeder permits: maximum \$15
- 39 Handicapped hunting and fishing permits: maximum \$5
- 40 Hound trainer-breeder running permits: maximum \$25
- 41 Hunting licenses
- 42 Resident: maximum \$25
- 43 Lifetime: maximum \$500; or 8 quarterly payments, each maximum \$75

- 1 Nonresident 16 or more years of age: maximum \$125
2 Nonresident under 16 years of age: maximum \$75
3 Controlled shooting area: maximum \$25
4 Forty-eight-hour waterfowl permits: maximum \$25
5 Migratory waterfowl habitat stamps: maximum \$8
6 Mussel fishing licenses
7 Resident: maximum \$200
8 Nonresident: maximum \$1,500
9 Rabbit permits
10 Live trapping: maximum \$200
11 Shipping: maximum \$400
12 Raptor propagation permits: maximum \$100
13 Rehabilitation permits: maximum \$50
14 Scientific, educational or exhibition permits: maximum \$10
15 Wildlife damage control permits: maximum \$10
16 Wildlife importation permits: maximum \$10
17 Wild turkey permits
18 Resident: maximum \$100
19 Nonresident: maximum \$400
20 Resident turkey tag: maximum \$20
21 Nonresident turkey tag: maximum \$30
22 Special permits under K.S.A. 32-961: maximum \$100
23 Miscellaneous fees
24 Special events on department land or water: maximum \$200
25 Special departmental services, materials or supplies: no maximum
26 Other issues of department: no maximum
27 Vendor bond: no maximum
28 (b) The fee for a landowner-tenant resident big game or wild turkey
29 hunting permit shall be an amount equal to $\frac{1}{2}$ the fee for a general res-
30 ident big game or wild turkey hunting permit.
31 (c) The fee for a big game or wild turkey hunting permit for a resident
32 under 16 years of age shall be an amount equal to $\frac{1}{2}$ the fee for a general
33 resident big game or wild turkey hunting permit.
34 (d) The fee for a furharvester license for a resident under 16 years
35 of age shall be an amount equal to $\frac{1}{2}$ the fee for a resident furharvester
36 license.
37 (e) The secretary may establish, by rules and regulations adopted in
38 accordance with K.S.A. 32-805 and amendments thereto, different fees
39 for various classes and types of licenses, permits, stamps and other issu-
40 ances of the department which may occur within each item as described
41 under subsection (a).
42 (f) *The fee for every nonresident deer permit shall be increased by*
43 *the amount of \$5, and such amount shall be deposited in the state treasury*

1 *to the credit of the deer management account of the feed the hungry fund*
2 *pursuant to the provisions of K.S.A. 2008 Supp. 32-995, and amendments*
3 *thereto. The secretary shall certify to the state treasurer the amount to be*
4 *credited to the deer management account of the feed the hungry fund*
5 *pursuant to this subsection.*

6 Sec. 4. K.S.A. 2008 Supp. 32-995 is hereby amended to read as fol-
7 lows: 32-995. (a) (1) The feed the hungry fund is hereby established in
8 the state treasury. The secretary, in accordance with the provisions of
9 K.S.A. 75-4215, and amendments thereto, shall remit to the state trea-
10 surer all moneys received by the secretary from contributions pursuant
11 to subsection (c) of K.S.A. 32-980, and amendments thereto. Upon re-
12 ceipt of the remittance, the state treasurer shall deposit the entire amount
13 in the state treasury and credit it to the fund.

14 (2) *There is hereby created the deer management account within the*
15 *feed the hungry fund. All moneys credited to the deer management ac-*
16 *count shall be used for the purpose of deer population management, pro-*
17 *grams, fundraising events and processing of deer donated to the Kansas*
18 *hunters feeding the hungry, inc.*

19 (b) Moneys in the feed the hungry fund shall be disbursed quarterly
20 to Kansas hunters feeding the hungry, inc., to support its programs.

21 (c) On or before the 10th of each month, the director of accounts
22 and reports shall transfer from the state general fund to the feed the
23 hungry fund interest earnings based on:

24 (1) The average daily balance of moneys in the feed the hungry fund
25 for the preceding month; and

26 (2) the net earnings rate for the pooled money investment portfolio
27 for the preceding month.

28 (d) All expenditures from the feed the hungry fund shall be made in
29 accordance with appropriation acts upon warrants of the director of ac-
30 counts and reports issued pursuant to vouchers approved by the secretary
31 for the purposes set forth in this section.

32 (e) The secretary shall report annually, beginning on February 1,
33 2006, to the house committee on tourism and parks and the senate com-
34 mittee on natural resources on the state of contributions to the feed the
35 hungry fund and the disbursements to Kansas hunters feeding the hungry,
36 inc.

37 Sec. 5. K.S.A. 2008 Supp. 79-3606 is hereby amended to read as
38 follows: 79-3606. The following shall be exempt from the tax imposed by
39 this act:

40 (a) All sales of motor-vehicle fuel or other articles upon which a sales
41 or excise tax has been paid, not subject to refund, under the laws of this
42 state except cigarettes as defined by K.S.A. 79-3301 and amendments
43 thereto, cereal malt beverages and malt products as defined by K.S.A. 79-

1 3817 and amendments thereto, including wort, liquid malt, malt syrup
2 and malt extract, which is not subject to taxation under the provisions of
3 K.S.A. 79-41a02 and amendments thereto, motor vehicles taxed pursuant
4 to K.S.A. 79-5117, and amendments thereto, tires taxed pursuant to
5 K.S.A. 65-3424d, and amendments thereto, drycleaning and laundry serv-
6 ices taxed pursuant to K.S.A. 65-34,150, and amendments thereto, and
7 gross receipts from regulated sports contests taxed pursuant to the Kansas
8 professional regulated sports act, and amendments thereto;

9 (b) all sales of tangible personal property or service, including the
10 renting and leasing of tangible personal property, purchased directly by
11 the state of Kansas, a political subdivision thereof, other than a school or
12 educational institution, or purchased by a public or private nonprofit hos-
13 pital or public hospital authority or nonprofit blood, tissue or organ bank
14 and used exclusively for state, political subdivision, hospital or public hos-
15 pital authority or nonprofit blood, tissue or organ bank purposes, except
16 when: (1) Such state, hospital or public hospital authority is engaged or
17 proposes to engage in any business specifically taxable under the provi-
18 sions of this act and such items of tangible personal property or service
19 are used or proposed to be used in such business, or (2) such political
20 subdivision is engaged or proposes to engage in the business of furnishing
21 gas, electricity or heat to others and such items of personal property or
22 service are used or proposed to be used in such business;

23 (c) all sales of tangible personal property or services, including the
24 renting and leasing of tangible personal property, purchased directly by
25 a public or private elementary or secondary school or public or private
26 nonprofit educational institution and used primarily by such school or
27 institution for nonsectarian programs and activities provided or sponsored
28 by such school or institution or in the erection, repair or enlargement of
29 buildings to be used for such purposes. The exemption herein provided
30 shall not apply to erection, construction, repair, enlargement or equip-
31 ment of buildings used primarily for human habitation;

32 (d) all sales of tangible personal property or services purchased by a
33 contractor for the purpose of constructing, equipping, reconstructing,
34 maintaining, repairing, enlarging, furnishing or remodeling facilities for
35 any public or private nonprofit hospital or public hospital authority, public
36 or private elementary or secondary school, a public or private nonprofit
37 educational institution, state correctional institution including a privately
38 constructed correctional institution contracted for state use and owner-
39 ship, which would be exempt from taxation under the provisions of this
40 act if purchased directly by such hospital or public hospital authority,
41 school, educational institution or a state correctional institution; and all
42 sales of tangible personal property or services purchased by a contractor
43 for the purpose of constructing, equipping, reconstructing, maintaining,

1 repairing, enlarging, furnishing or remodeling facilities for any political
2 subdivision of the state or district described in subsection (s), the total
3 cost of which is paid from funds of such political subdivision or district
4 and which would be exempt from taxation under the provisions of this
5 act if purchased directly by such political subdivision or district. Nothing
6 in this subsection or in the provisions of K.S.A. 12-3418 and amendments
7 thereto, shall be deemed to exempt the purchase of any construction
8 machinery, equipment or tools used in the constructing, equipping, re-
9 constructing, maintaining, repairing, enlarging, furnishing or remodeling
10 facilities for any political subdivision of the state or any such district. As
11 used in this subsection, K.S.A. 12-3418 and 79-3640, and amendments
12 thereto, "funds of a political subdivision" shall mean general tax revenues,
13 the proceeds of any bonds and gifts or grants-in-aid. Gifts shall not mean
14 funds used for the purpose of constructing, equipping, reconstructing,
15 repairing, enlarging, furnishing or remodeling facilities which are to be
16 leased to the donor. When any political subdivision of the state, district
17 described in subsection (s), public or private nonprofit hospital or public
18 hospital authority, public or private elementary or secondary school, pub-
19 lic or private nonprofit educational institution, state correctional institu-
20 tion including a privately constructed correctional institution contracted
21 for state use and ownership shall contract for the purpose of constructing,
22 equipping, reconstructing, maintaining, repairing, enlarging, furnishing
23 or remodeling facilities, it shall obtain from the state and furnish to the
24 contractor an exemption certificate for the project involved, and the con-
25 tractor may purchase materials for incorporation in such project. The
26 contractor shall furnish the number of such certificate to all suppliers
27 from whom such purchases are made, and such suppliers shall execute
28 invoices covering the same bearing the number of such certificate. Upon
29 completion of the project the contractor shall furnish to the political sub-
30 division, district described in subsection (s), hospital or public hospital
31 authority, school, educational institution or department of corrections
32 concerned a sworn statement, on a form to be provided by the director
33 of taxation, that all purchases so made were entitled to exemption under
34 this subsection. As an alternative to the foregoing procedure, any such
35 contracting entity may apply to the secretary of revenue for agent status
36 for the sole purpose of issuing and furnishing project exemption certifi-
37 cates to contractors pursuant to rules and regulations adopted by the
38 secretary establishing conditions and standards for the granting and main-
39 taining of such status. All invoices shall be held by the contractor for a
40 period of five years and shall be subject to audit by the director of taxation.
41 If any materials purchased under such a certificate are found not to have
42 been incorporated in the building or other project or not to have been
43 returned for credit or the sales or compensating tax otherwise imposed

1 upon such materials which will not be so incorporated in the building or
2 other project reported and paid by such contractor to the director of
3 taxation not later than the 20th day of the month following the close of
4 the month in which it shall be determined that such materials will not be
5 used for the purpose for which such certificate was issued, the political
6 subdivision, district described in subsection (s), hospital or public hospital
7 authority, school, educational institution or the contractor contracting
8 with the department of corrections for a correctional institution con-
9 cerned shall be liable for tax on all materials purchased for the project,
10 and upon payment thereof it may recover the same from the contractor
11 together with reasonable attorney fees. Any contractor or any agent, em-
12 ployee or subcontractor thereof, who shall use or otherwise dispose of
13 any materials purchased under such a certificate for any purpose other
14 than that for which such a certificate is issued without the payment of
15 the sales or compensating tax otherwise imposed upon such materials,
16 shall be guilty of a misdemeanor and, upon conviction therefor, shall be
17 subject to the penalties provided for in subsection (g) of K.S.A. 79-3615,
18 and amendments thereto;

19 (e) all sales of tangible personal property or services purchased by a
20 contractor for the erection, repair or enlargement of buildings or other
21 projects for the government of the United States, its agencies or instru-
22 mentalities, which would be exempt from taxation if purchased directly
23 by the government of the United States, its agencies or instrumentalities.
24 When the government of the United States, its agencies or instrumen-
25 talities shall contract for the erection, repair, or enlargement of any build-
26 ing or other project, it shall obtain from the state and furnish to the
27 contractor an exemption certificate for the project involved, and the con-
28 tractor may purchase materials for incorporation in such project. The
29 contractor shall furnish the number of such certificates to all suppliers
30 from whom such purchases are made, and such suppliers shall execute
31 invoices covering the same bearing the number of such certificate. Upon
32 completion of the project the contractor shall furnish to the government
33 of the United States, its agencies or instrumentalities concerned a sworn
34 statement, on a form to be provided by the director of taxation, that all
35 purchases so made were entitled to exemption under this subsection. As
36 an alternative to the foregoing procedure, any such contracting entity may
37 apply to the secretary of revenue for agent status for the sole purpose of
38 issuing and furnishing project exemption certificates to contractors pur-
39 suant to rules and regulations adopted by the secretary establishing con-
40 ditions and standards for the granting and maintaining of such status. All
41 invoices shall be held by the contractor for a period of five years and shall
42 be subject to audit by the director of taxation. Any contractor or any agent,
43 employee or subcontractor thereof, who shall use or otherwise dispose of

- 1 any materials purchased under such a certificate for any purpose other
2 than that for which such a certificate is issued without the payment of
3 the sales or compensating tax otherwise imposed upon such materials,
4 shall be guilty of a misdemeanor and, upon conviction therefor, shall be
5 subject to the penalties provided for in subsection (g) of K.S.A. 79-3615
6 and amendments thereto;
- 7 (f) tangible personal property purchased by a railroad or public utility
8 for consumption or movement directly and immediately in interstate
9 commerce;
- 10 (g) sales of aircraft including remanufactured and modified aircraft
11 sold to persons using directly or through an authorized agent such aircraft
12 as certified or licensed carriers of persons or property in interstate or
13 foreign commerce under authority of the laws of the United States or any
14 foreign government or sold to any foreign government or agency or in-
15 strumentality of such foreign government and all sales of aircraft for use
16 outside of the United States and sales of aircraft repair, modification and
17 replacement parts and sales of services employed in the remanufacture,
18 modification and repair of aircraft;
- 19 (h) all rentals of nonsectarian textbooks by public or private elemen-
20 tary or secondary schools;
- 21 (i) the lease or rental of all films, records, tapes, or any type of sound
22 or picture transcriptions used by motion picture exhibitors;
- 23 (j) meals served without charge or food used in the preparation of
24 such meals to employees of any restaurant, eating house, dining car, hotel,
25 drugstore or other place where meals or drinks are regularly sold to the
26 public if such employees' duties are related to the furnishing or sale of
27 such meals or drinks;
- 28 (k) any motor vehicle, semitrailer or pole trailer, as such terms are
29 defined by K.S.A. 8-126 and amendments thereto, or aircraft sold and
30 delivered in this state to a bona fide resident of another state, which motor
31 vehicle, semitrailer, pole trailer or aircraft is not to be registered or based
32 in this state and which vehicle, semitrailer, pole trailer or aircraft will not
33 remain in this state more than 10 days;
- 34 (l) all isolated or occasional sales of tangible personal property, serv-
35 ices, substances or things, except isolated or occasional sale of motor
36 vehicles specifically taxed under the provisions of subsection (o) of K.S.A.
37 79-3603 and amendments thereto;
- 38 (m) all sales of tangible personal property which become an ingre-
39 dient or component part of tangible personal property or services pro-
40 duced, manufactured or compounded for ultimate sale at retail within or
41 without the state of Kansas; and any such producer, manufacturer or
42 compounder may obtain from the director of taxation and furnish to the
43 supplier an exemption certificate number for tangible personal property

- 1 for use as an ingredient or component part of the property or services
2 produced, manufactured or compounded;
- 3 (n) all sales of tangible personal property which is consumed in the
4 production, manufacture, processing, mining, drilling, refining or com-
5 pounding of tangible personal property, the treating of by-products or
6 wastes derived from any such production process, the providing of serv-
7 ices or the irrigation of crops for ultimate sale at retail within or without
8 the state of Kansas; and any purchaser of such property may obtain from
9 the director of taxation and furnish to the supplier an exemption certifi-
10 cate number for tangible personal property for consumption in such pro-
11 duction, manufacture, processing, mining, drilling, refining, compound-
12 ing, treating, irrigation and in providing such services;
- 13 (o) all sales of animals, fowl and aquatic plants and animals, the pri-
14 mary purpose of which is use in agriculture or aquaculture, as defined in
15 K.S.A. 47-1901, and amendments thereto, the production of food for
16 human consumption, the production of animal, dairy, poultry or aquatic
17 plant and animal products, fiber or fur, or the production of offspring for
18 use for any such purpose or purposes;
- 19 (p) all sales of drugs dispensed pursuant to a prescription order by a
20 licensed practitioner or a mid-level practitioner as defined by K.S.A. 65-
21 1626, and amendments thereto. As used in this subsection, “drug” means
22 a compound, substance or preparation and any component of a com-
23 pound, substance or preparation, other than food and food ingredients,
24 dietary supplements or alcoholic beverages, recognized in the official
25 United States pharmacopoeia, official homeopathic pharmacopoeia of the
26 United States or official national formulary, and supplement to any of
27 them, intended for use in the diagnosis, cure, mitigation, treatment or
28 prevention of disease or intended to affect the structure or any function
29 of the body;
- 30 (q) all sales of insulin dispensed by a person licensed by the state
31 board of pharmacy to a person for treatment of diabetes at the direction
32 of a person licensed to practice medicine by the board of healing arts;
- 33 (r) all sales of oxygen delivery equipment, kidney dialysis equipment,
34 enteral feeding systems, prosthetic devices and mobility enhancing equip-
35 ment prescribed in writing by a person licensed to practice the healing
36 arts, dentistry or optometry, and in addition to such sales, all sales of
37 hearing aids, as defined by subsection (c) of K.S.A. 74-5807, and amend-
38 ments thereto, and repair and replacement parts therefor, including bat-
39 teries, by a person licensed in the practice of dispensing and fitting hear-
40 ing aids pursuant to the provisions of K.S.A. 74-5808, and amendments
41 thereto. For the purposes of this subsection: (1) “Mobility enhancing
42 equipment” means equipment including repair and replacement parts to
43 same, but does not include durable medical equipment, which is primarily

1 and customarily used to provide or increase the ability to move from one
2 place to another and which is appropriate for use either in a home or a
3 motor vehicle; is not generally used by persons with normal mobility; and
4 does not include any motor vehicle or equipment on a motor vehicle
5 normally provided by a motor vehicle manufacturer; and (2) “prosthetic
6 device” means a replacement, corrective or supportive device including
7 repair and replacement parts for same worn on or in the body to artificially
8 replace a missing portion of the body, prevent or correct physical defor-
9 mity or malfunction or support a weak or deformed portion of the body;

10 (s) except as provided in K.S.A. 2008 Supp. 82a-2101, and amend-
11 ments thereto, all sales of tangible personal property or services pur-
12 chased directly or indirectly by a groundwater management district or-
13 ganized or operating under the authority of K.S.A. 82a-1020 et seq. and
14 amendments thereto, by a rural water district organized or operating un-
15 der the authority of K.S.A. 82a-612, and amendments thereto, or by a
16 water supply district organized or operating under the authority of K.S.A.
17 19-3501 et seq., 19-3522 et seq. or 19-3545, and amendments thereto,
18 which property or services are used in the construction activities, opera-
19 tion or maintenance of the district;

20 (t) all sales of farm machinery and equipment or aquaculture ma-
21 chinery and equipment, repair and replacement parts therefor and serv-
22 ices performed in the repair and maintenance of such machinery and
23 equipment. For the purposes of this subsection the term “farm machinery
24 and equipment or aquaculture machinery and equipment” shall include
25 a work-site utility vehicle, as defined in K.S.A. 8-126, and amendments
26 thereto, and is equipped with a bed or cargo box for hauling materials,
27 and shall also include machinery and equipment used in the operation of
28 Christmas tree farming but shall not include any passenger vehicle, truck,
29 truck tractor, trailer, semitrailer or pole trailer, other than a farm trailer,
30 as such terms are defined by K.S.A. 8-126 and amendments thereto.
31 “Farm machinery and equipment” includes precision farming equipment
32 that is portable or is installed or purchased to be installed on farm ma-
33 chinery and equipment. “Precision farming equipment” includes the fol-
34 lowing items used only in computer-assisted farming, ranching or aqua-
35 culture production operations: Soil testing sensors, yield monitors,
36 computers, monitors, software, global positioning and mapping systems,
37 guiding systems, modems, data communications equipment and any nec-
38 essary mounting hardware, wiring and antennas. Each purchaser of farm
39 machinery and equipment or aquaculture machinery and equipment ex-
40 empted herein must certify in writing on the copy of the invoice or sales
41 ticket to be retained by the seller that the farm machinery and equipment
42 or aquaculture machinery and equipment purchased will be used only in
43 farming, ranching or aquaculture production. Farming or ranching shall

- 1 include the operation of a feedlot and farm and ranch work for hire and
2 the operation of a nursery;
- 3 (u) all leases or rentals of tangible personal property used as a dwell-
4 ing if such tangible personal property is leased or rented for a period of
5 more than 28 consecutive days;
- 6 (v) all sales of tangible personal property to any contractor for use in
7 preparing meals for delivery to homebound elderly persons over 60 years
8 of age and to homebound disabled persons or to be served at a group-
9 sitting at a location outside of the home to otherwise homebound elderly
10 persons over 60 years of age and to otherwise homebound disabled per-
11 sons, as all or part of any food service project funded in whole or in part
12 by government or as part of a private nonprofit food service project avail-
13 able to all such elderly or disabled persons residing within an area of
14 service designated by the private nonprofit organization, and all sales of
15 tangible personal property for use in preparing meals for consumption by
16 indigent or homeless individuals whether or not such meals are consumed
17 at a place designated for such purpose, and all sales of food products by
18 or on behalf of any such contractor or organization for any such purpose;
- 19 (w) all sales of natural gas, electricity, heat and water delivered
20 through mains, lines or pipes: (1) To residential premises for noncom-
21 mercial use by the occupant of such premises; (2) for agricultural use and
22 also, for such use, all sales of propane gas; (3) for use in the severing of
23 oil; and (4) to any property which is exempt from property taxation pur-
24 suant to K.S.A. 79-201b *Second* through *Sixth*. As used in this paragraph,
25 “severing” shall have the meaning ascribed thereto by subsection (k) of
26 K.S.A. 79-4216, and amendments thereto. For all sales of natural gas,
27 electricity and heat delivered through mains, lines or pipes pursuant to
28 the provisions of subsection (w)(1) and (w)(2), the provisions of this sub-
29 section shall expire on December 31, 2005;
- 30 (x) all sales of propane gas, LP-gas, coal, wood and other fuel sources
31 for the production of heat or lighting for noncommercial use of an oc-
32 cupant of residential premises occurring prior to January 1, 2006;
- 33 (y) all sales of materials and services used in the repairing, servicing,
34 altering, maintaining, manufacturing, remanufacturing, or modification of
35 railroad rolling stock for use in interstate or foreign commerce under
36 authority of the laws of the United States;
- 37 (z) all sales of tangible personal property and services purchased di-
38 rectly by a port authority or by a contractor therefor as provided by the
39 provisions of K.S.A. 12-3418 and amendments thereto;
- 40 (aa) all sales of materials and services applied to equipment which is
41 transported into the state from without the state for repair, service, al-
42 teration, maintenance, remanufacture or modification and which is sub-
43 sequently transported outside the state for use in the transmission of

1 liquids or natural gas by means of pipeline in interstate or foreign com-
2 merce under authority of the laws of the United States;

3 (bb) all sales of used mobile homes or manufactured homes. As used
4 in this subsection: (1) “Mobile homes” and “manufactured homes” shall
5 have the meanings ascribed thereto by K.S.A. 58-4202 and amendments
6 thereto; and (2) “sales of used mobile homes or manufactured homes”
7 means sales other than the original retail sale thereof;

8 (cc) all sales of tangible personal property or services purchased for
9 the purpose of and in conjunction with constructing, reconstructing, en-
10 larging or remodeling a business or retail business which meets the
11 requirements established in K.S.A. 74-50,115 and amendments thereto,
12 and the sale and installation of machinery and equipment purchased for
13 installation at any such business or retail business. When a person shall
14 contract for the construction, reconstruction, enlargement or remodeling
15 of any such business or retail business, such person shall obtain from the
16 state and furnish to the contractor an exemption certificate for the project
17 involved, and the contractor may purchase materials, machinery and
18 equipment for incorporation in such project. The contractor shall furnish
19 the number of such certificates to all suppliers from whom such purchases
20 are made, and such suppliers shall execute invoices covering the same
21 bearing the number of such certificate. Upon completion of the project
22 the contractor shall furnish to the owner of the business or retail business
23 a sworn statement, on a form to be provided by the director of taxation,
24 that all purchases so made were entitled to exemption under this subsec-
25 tion. All invoices shall be held by the contractor for a period of five years
26 and shall be subject to audit by the director of taxation. Any contractor
27 or any agent, employee or subcontractor thereof, who shall use or oth-
28 erwise dispose of any materials, machinery or equipment purchased un-
29 der such a certificate for any purpose other than that for which such a
30 certificate is issued without the payment of the sales or compensating tax
31 otherwise imposed thereon, shall be guilty of a misdemeanor and, upon
32 conviction therefor, shall be subject to the penalties provided for in sub-
33 section (g) of K.S.A. 79-3615 and amendments thereto. As used in this
34 subsection, “business” and “retail business” have the meanings respec-
35 tively ascribed thereto by K.S.A. 74-50,114 and amendments thereto;

36 (dd) all sales of tangible personal property purchased with food
37 stamps issued by the United States department of agriculture;

38 (ee) all sales of lottery tickets and shares made as part of a lottery
39 operated by the state of Kansas;

40 (ff) on and after July 1, 1988, all sales of new mobile homes or man-
41 ufactured homes to the extent of 40% of the gross receipts, determined
42 without regard to any trade-in allowance, received from such sale. As used
43 in this subsection, “mobile homes” and “manufactured homes” shall have

1 the meanings ascribed thereto by K.S.A. 58-4202 and amendments
2 thereto;

3 (gg) all sales of tangible personal property purchased in accordance
4 with vouchers issued pursuant to the federal special supplemental food
5 program for women, infants and children;

6 (hh) all sales of medical supplies and equipment, including durable
7 medical equipment, purchased directly by a nonprofit skilled nursing
8 home or nonprofit intermediate nursing care home, as defined by K.S.A.
9 39-923, and amendments thereto, for the purpose of providing medical
10 services to residents thereof. This exemption shall not apply to tangible
11 personal property customarily used for human habitation purposes. As
12 used in this subsection, "durable medical equipment" means equipment
13 including repair and replacement parts for such equipment, which can
14 withstand repeated use, is primarily and customarily used to serve a med-
15 ical purpose, generally is not useful to a person in the absence of illness
16 or injury and is not worn in or on the body, but does not include mobility
17 enhancing equipment as defined in subsection (r), oxygen delivery equip-
18 ment, kidney dialysis equipment or enteral feeding systems;

19 (ii) all sales of tangible personal property purchased directly by a non-
20 profit organization for nonsectarian comprehensive multidiscipline youth
21 development programs and activities provided or sponsored by such or-
22 ganization, and all sales of tangible personal property by or on behalf of
23 any such organization. This exemption shall not apply to tangible personal
24 property customarily used for human habitation purposes;

25 (jj) all sales of tangible personal property or services, including the
26 renting and leasing of tangible personal property, purchased directly on
27 behalf of a community-based mental retardation facility or mental health
28 center organized pursuant to K.S.A. 19-4001 et seq., and amendments
29 thereto, and licensed in accordance with the provisions of K.S.A. 75-
30 3307b and amendments thereto and all sales of tangible personal property
31 or services purchased by contractors during the time period from July,
32 2003, through June, 2006, for the purpose of constructing, equipping,
33 maintaining or furnishing a new facility for a community-based mental
34 retardation facility or mental health center located in Riverton, Cherokee
35 County, Kansas, which would have been eligible for sales tax exemption
36 pursuant to this subsection if purchased directly by such facility or center.
37 This exemption shall not apply to tangible personal property customarily
38 used for human habitation purposes;

39 (kk) (1) (A) all sales of machinery and equipment which are used in
40 this state as an integral or essential part of an integrated production op-
41 eration by a manufacturing or processing plant or facility;

42 (B) all sales of installation, repair and maintenance services per-
43 formed on such machinery and equipment; and

- 1 (C) all sales of repair and replacement parts and accessories pur-
2 chased for such machinery and equipment.
- 3 (2) For purposes of this subsection:
- 4 (A) “Integrated production operation” means an integrated series of
5 operations engaged in at a manufacturing or processing plant or facility
6 to process, transform or convert tangible personal property by physical,
7 chemical or other means into a different form, composition or character
8 from that in which it originally existed. Integrated production operations
9 shall include: (i) Production line operations, including packaging opera-
10 tions; (ii) preproduction operations to handle, store and treat raw mate-
11 rials; (iii) post production handling, storage, warehousing and distribution
12 operations; and (iv) waste, pollution and environmental control opera-
13 tions, if any;
- 14 (B) “production line” means the assemblage of machinery and equip-
15 ment at a manufacturing or processing plant or facility where the actual
16 transformation or processing of tangible personal property occurs;
- 17 (C) “manufacturing or processing plant or facility” means a single,
18 fixed location owned or controlled by a manufacturing or processing busi-
19 ness that consists of one or more structures or buildings in a contiguous
20 area where integrated production operations are conducted to manufac-
21 ture or process tangible personal property to be ultimately sold at retail.
22 Such term shall not include any facility primarily operated for the purpose
23 of conveying or assisting in the conveyance of natural gas, electricity, oil
24 or water. A business may operate one or more manufacturing or proces-
25 ssing plants or facilities at different locations to manufacture or process
26 a single product of tangible personal property to be ultimately sold at
27 retail;
- 28 (D) “manufacturing or processing business” means a business that
29 utilizes an integrated production operation to manufacture, process, fab-
30 ricate, finish, or assemble items for wholesale and retail distribution as
31 part of what is commonly regarded by the general public as an industrial
32 manufacturing or processing operation or an agricultural commodity
33 processing operation. (i) Industrial manufacturing or processing opera-
34 tions include, by way of illustration but not of limitation, the fabrication
35 of automobiles, airplanes, machinery or transportation equipment, the
36 fabrication of metal, plastic, wood, or paper products, electricity power
37 generation, water treatment, petroleum refining, chemical production,
38 wholesale bottling, newspaper printing, ready mixed concrete production,
39 and the remanufacturing of used parts for wholesale or retail sale. Such
40 processing operations shall include operations at an oil well, gas well, mine
41 or other excavation site where the oil, gas, minerals, coal, clay, stone, sand
42 or gravel that has been extracted from the earth is cleaned, separated,
43 crushed, ground, milled, screened, washed, or otherwise treated or pre-

1 pared before its transmission to a refinery or before any other wholesale
2 or retail distribution. (ii) Agricultural commodity processing operations
3 include, by way of illustration but not of limitation, meat packing, poultry
4 slaughtering and dressing, processing and packaging farm and dairy prod-
5 ucts in sealed containers for wholesale and retail distribution, feed grind-
6 ing, grain milling, frozen food processing, and grain handling, cleaning,
7 blending, fumigation, drying and aeration operations engaged in by grain
8 elevators or other grain storage facilities. (iii) Manufacturing or processing
9 businesses do not include, by way of illustration but not of limitation,
10 nonindustrial businesses whose operations are primarily retail and that
11 produce or process tangible personal property as an incidental part of
12 conducting the retail business, such as retailers who bake, cook or prepare
13 food products in the regular course of their retail trade, grocery stores,
14 meat lockers and meat markets that butcher or dress livestock or poultry
15 in the regular course of their retail trade, contractors who alter, service,
16 repair or improve real property, and retail businesses that clean, service
17 or refurbish and repair tangible personal property for its owner;

18 (E) “repair and replacement parts and accessories” means all parts
19 and accessories for exempt machinery and equipment, including, but not
20 limited to, dies, jigs, molds, patterns and safety devices that are attached
21 to exempt machinery or that are otherwise used in production, and parts
22 and accessories that require periodic replacement such as belts, drill bits,
23 grinding wheels, grinding balls, cutting bars, saws, refractory brick and
24 other refractory items for exempt kiln equipment used in production op-
25 erations;

26 (F) “primary” or “primarily” mean more than 50% of the time.

27 (3) For purposes of this subsection, machinery and equipment shall
28 be deemed to be used as an integral or essential part of an integrated
29 production operation when used:

30 (A) To receive, transport, convey, handle, treat or store raw materials
31 in preparation of its placement on the production line;

32 (B) to transport, convey, handle or store the property undergoing
33 manufacturing or processing at any point from the beginning of the pro-
34 duction line through any warehousing or distribution operation of the
35 final product that occurs at the plant or facility;

36 (C) to act upon, effect, promote or otherwise facilitate a physical
37 change to the property undergoing manufacturing or processing;

38 (D) to guide, control or direct the movement of property undergoing
39 manufacturing or processing;

40 (E) to test or measure raw materials, the property undergoing man-
41 ufacturing or processing or the finished product, as a necessary part of
42 the manufacturer’s integrated production operations;

43 (F) to plan, manage, control or record the receipt and flow of inven-

1 tories of raw materials, consumables and component parts, the flow of
2 the property undergoing manufacturing or processing and the manage-
3 ment of inventories of the finished product;

4 (G) to produce energy for, lubricate, control the operating of or oth-
5 erwise enable the functioning of other production machinery and equip-
6 ment and the continuation of production operations;

7 (H) to package the property being manufactured or processed in a
8 container or wrapping in which such property is normally sold or trans-
9 ported;

10 (I) to transmit or transport electricity, coke, gas, water, steam or sim-
11 ilar substances used in production operations from the point of genera-
12 tion, if produced by the manufacturer or processor at the plant site, to
13 that manufacturer's production operation; or, if purchased or delivered
14 from offsite, from the point where the substance enters the site of the
15 plant or facility to that manufacturer's production operations;

16 (J) to cool, heat, filter, refine or otherwise treat water, steam, acid,
17 oil, solvents or other substances that are used in production operations;

18 (K) to provide and control an environment required to maintain cer-
19 tain levels of air quality, humidity or temperature in special and limited
20 areas of the plant or facility, where such regulation of temperature or
21 humidity is part of and essential to the production process;

22 (L) to treat, transport or store waste or other byproducts of produc-
23 tion operations at the plant or facility; or

24 (M) to control pollution at the plant or facility where the pollution is
25 produced by the manufacturing or processing operation.

26 (4) The following machinery, equipment and materials shall be
27 deemed to be exempt even though it may not otherwise qualify as ma-
28 chinery and equipment used as an integral or essential part of an inte-
29 grated production operation: (A) Computers and related peripheral
30 equipment that are utilized by a manufacturing or processing business
31 for engineering of the finished product or for research and development
32 or product design; (B) machinery and equipment that is utilized by a
33 manufacturing or processing business to manufacture or rebuild tangible
34 personal property that is used in manufacturing or processing operations,
35 including tools, dies, molds, forms and other parts of qualifying machinery
36 and equipment; (C) portable plants for aggregate concrete, bulk cement
37 and asphalt including cement mixing drums to be attached to a motor
38 vehicle; (D) industrial fixtures, devices, support facilities and special foun-
39 dations necessary for manufacturing and production operations, and ma-
40 terials and other tangible personal property sold for the purpose of fab-
41 ricating such fixtures, devices, facilities and foundations. An exemption
42 certificate for such purchases shall be signed by the manufacturer or
43 processor. If the fabricator purchases such material, the fabricator shall

1 also sign the exemption certificate; and (E) a manufacturing or processing
2 business' laboratory equipment that is not located at the plant or facility,
3 but that would otherwise qualify for exemption under subsection (3)(E).
4 (5) "Machinery and equipment used as an integral or essential part
5 of an integrated production operation" shall not include:
6 (A) Machinery and equipment used for nonproduction purposes, in-
7 cluding, but not limited to, machinery and equipment used for plant se-
8 curity, fire prevention, first aid, accounting, administration, record keep-
9 ing, advertising, marketing, sales or other related activities, plant cleaning,
10 plant communications, and employee work scheduling;
11 (B) machinery, equipment and tools used primarily in maintaining
12 and repairing any type of machinery and equipment or the building and
13 plant;
14 (C) transportation, transmission and distribution equipment not pri-
15 marily used in a production, warehousing or material handling operation
16 at the plant or facility, including the means of conveyance of natural gas,
17 electricity, oil or water, and equipment related thereto, located outside
18 the plant or facility;
19 (D) office machines and equipment including computers and related
20 peripheral equipment not used directly and primarily to control or mea-
21 sure the manufacturing process;
22 (E) furniture and other furnishings;
23 (F) buildings, other than exempt machinery and equipment that is
24 permanently affixed to or becomes a physical part of the building, and
25 any other part of real estate that is not otherwise exempt;
26 (G) building fixtures that are not integral to the manufacturing op-
27 eration, such as utility systems for heating, ventilation, air conditioning,
28 communications, plumbing or electrical;
29 (H) machinery and equipment used for general plant heating, cooling
30 and lighting;
31 (I) motor vehicles that are registered for operation on public high-
32 ways; or
33 (J) employee apparel, except safety and protective apparel that is pur-
34 chased by an employer and furnished gratuitously to employees who are
35 involved in production or research activities.
36 (6) Subsections (3) and (5) shall not be construed as exclusive listings
37 of the machinery and equipment that qualify or do not qualify as an
38 integral or essential part of an integrated production operation. When
39 machinery or equipment is used as an integral or essential part of pro-
40 duction operations part of the time and for nonproduction purpose at
41 other times, the primary use of the machinery or equipment shall deter-
42 mine whether or not such machinery or equipment qualifies for exemp-
43 tion.

- 1 (7) The secretary of revenue shall adopt rules and regulations nec-
2 essary to administer the provisions of this subsection;
- 3 (ll) all sales of educational materials purchased for distribution to the
4 public at no charge by a nonprofit corporation organized for the purpose
5 of encouraging, fostering and conducting programs for the improvement
6 of public health;
- 7 (mm) all sales of seeds and tree seedlings; fertilizers, insecticides,
8 herbicides, germicides, pesticides and fungicides; and services, purchased
9 and used for the purpose of producing plants in order to prevent soil
10 erosion on land devoted to agricultural use;
- 11 (nn) except as otherwise provided in this act, all sales of services ren-
12 dered by an advertising agency or licensed broadcast station or any mem-
13 ber, agent or employee thereof;
- 14 (oo) all sales of tangible personal property purchased by a community
15 action group or agency for the exclusive purpose of repairing or weath-
16 erizing housing occupied by low income individuals;
- 17 (pp) all sales of drill bits and explosives actually utilized in the explo-
18 ration and production of oil or gas;
- 19 (qq) all sales of tangible personal property and services purchased by
20 a nonprofit museum or historical society or any combination thereof, in-
21 cluding a nonprofit organization which is organized for the purpose of
22 stimulating public interest in the exploration of space by providing edu-
23 cational information, exhibits and experiences, which is exempt from fed-
24 eral income taxation pursuant to section 501(c)(3) of the federal internal
25 revenue code of 1986;
- 26 (rr) all sales of tangible personal property which will admit the pur-
27 chaser thereof to any annual event sponsored by a nonprofit organization
28 which is exempt from federal income taxation pursuant to section
29 501(c)(3) of the federal internal revenue code of 1986;
- 30 (ss) all sales of tangible personal property and services purchased by
31 a public broadcasting station licensed by the federal communications
32 commission as a noncommercial educational television or radio station;
- 33 (tt) all sales of tangible personal property and services purchased by
34 or on behalf of a not-for-profit corporation which is exempt from federal
35 income taxation pursuant to section 501(c)(3) of the federal internal rev-
36 enue code of 1986, for the sole purpose of constructing a Kansas Korean
37 War memorial;
- 38 (uu) all sales of tangible personal property and services purchased by
39 or on behalf of any rural volunteer fire-fighting organization for use ex-
40 clusively in the performance of its duties and functions;
- 41 (vv) all sales of tangible personal property purchased by any of the
42 following organizations which are exempt from federal income taxation
43 pursuant to section 501 (c)(3) of the federal internal revenue code of

- 1 1986, for the following purposes, and all sales of any such property by or
2 on behalf of any such organization for any such purpose:
- 3 (1) The American Heart Association, Kansas Affiliate, Inc. for the
4 purposes of providing education, training, certification in emergency car-
5 diac care, research and other related services to reduce disability and
6 death from cardiovascular diseases and stroke;
 - 7 (2) the Kansas Alliance for the Mentally Ill, Inc. for the purpose of
8 advocacy for persons with mental illness and to education, research and
9 support for their families;
 - 10 (3) the Kansas Mental Illness Awareness Council for the purposes of
11 advocacy for persons who are mentally ill and to education, research and
12 support for them and their families;
 - 13 (4) the American Diabetes Association Kansas Affiliate, Inc. for the
14 purpose of eliminating diabetes through medical research, public edu-
15 cation focusing on disease prevention and education, patient education
16 including information on coping with diabetes, and professional education
17 and training;
 - 18 (5) the American Lung Association of Kansas, Inc. for the purpose of
19 eliminating all lung diseases through medical research, public education
20 including information on coping with lung diseases, professional educa-
21 tion and training related to lung disease and other related services to
22 reduce the incidence of disability and death due to lung disease;
 - 23 (6) the Kansas chapters of the Alzheimer's Disease and Related Dis-
24 orders Association, Inc. for the purpose of providing assistance and sup-
25 port to persons in Kansas with Alzheimer's disease, and their families and
26 caregivers;
 - 27 (7) the Kansas chapters of the Parkinson's disease association for the
28 purpose of eliminating Parkinson's disease through medical research and
29 public and professional education related to such disease;
 - 30 (8) the National Kidney Foundation of Kansas and Western Missouri
31 for the purpose of eliminating kidney disease through medical research
32 and public and private education related to such disease;
 - 33 (9) the heartstrings community foundation for the purpose of provid-
34 ing training, employment and activities for adults with developmental
35 disabilities;
 - 36 (10) the Cystic Fibrosis Foundation, Heart of America Chapter, for
37 the purposes of assuring the development of the means to cure and con-
38 trol cystic fibrosis and improving the quality of life for those with the
39 disease;
 - 40 (11) the spina bifida association of Kansas for the purpose of provid-
41 ing financial, educational and practical aid to families and individuals with
42 spina bifida. Such aid includes, but is not limited to, funding for medical
43 devices, counseling and medical educational opportunities;

- 1 (12) the CHWC, Inc., for the purpose of rebuilding urban core neigh-
2 borhoods through the construction of new homes, acquiring and reno-
3 vating existing homes and other related activities, and promoting eco-
4 nomic development in such neighborhoods;
- 5 (13) the cross-lines cooperative council for the purpose of providing
6 social services to low income individuals and families;
- 7 (14) the Dreams Work, Inc., for the purpose of providing young adult
8 day services to individuals with developmental disabilities and assisting
9 families in avoiding institutional or nursing home care for a developmen-
10 tally disabled member of their family;
- 11 (15) the KSDS, Inc., for the purpose of promoting the independence
12 and inclusion of people with disabilities as fully participating and contrib-
13 uting members of their communities and society through the training and
14 providing of guide and service dogs to people with disabilities, and pro-
15 viding disability education and awareness to the general public;
- 16 (16) the lyme association of greater Kansas City, Inc., for the purpose
17 of providing support to persons with lyme disease and public education
18 relating to the prevention, treatment and cure of lyme disease;
- 19 (17) the Dream Factory, Inc., for the purpose of granting the dreams
20 of children with critical and chronic illnesses;
- 21 (18) the Ottawa Suzuki Strings, Inc., for the purpose of providing
22 students and families with education and resources necessary to enable
23 each child to develop fine character and musical ability to the fullest
24 potential;
- 25 (19) the International Association of Lions Clubs for the purpose of
26 creating and fostering a spirit of understanding among all people for hu-
27 manitarian needs by providing voluntary services through community in-
28 volvement and international cooperation;
- 29 (20) the Johnson county young matrons, inc., for the purpose of pro-
30 moting a positive future for members of the community through volun-
31 teerism, financial support and education through the efforts of an all
32 volunteer organization;
- 33 (21) the American Cancer Society, Inc., for the purpose of eliminat-
34 ing cancer as a major health problem by preventing cancer, saving lives
35 and diminishing suffering from cancer, through research, education, ad-
36 vocacy and service;
- 37 (22) the community services of Shawnee, inc., for the purpose of
38 providing food and clothing to those in need; and
- 39 (23) the angel babies association, for the purpose of providing assis-
40 tance, support and items of necessity to teenage mothers and their babies;
- 41 (ww) all sales of tangible personal property purchased by the Habitat
42 for Humanity for the exclusive use of being incorporated within a housing
43 project constructed by such organization;

1 (xx) all sales of tangible personal property and services purchased by
2 a nonprofit zoo which is exempt from federal income taxation pursuant
3 to section 501(c)(3) of the federal internal revenue code of 1986, or on
4 behalf of such zoo by an entity itself exempt from federal income taxation
5 pursuant to section 501(c)(3) of the federal internal revenue code of 1986
6 contracted with to operate such zoo and all sales of tangible personal
7 property or services purchased by a contractor for the purpose of con-
8 structing, equipping, reconstructing, maintaining, repairing, enlarging,
9 furnishing or remodeling facilities for any nonprofit zoo which would be
10 exempt from taxation under the provisions of this section if purchased
11 directly by such nonprofit zoo or the entity operating such zoo. Nothing
12 in this subsection shall be deemed to exempt the purchase of any con-
13 struction machinery, equipment or tools used in the constructing, equip-
14 ping, reconstructing, maintaining, repairing, enlarging, furnishing or re-
15 modeling facilities for any nonprofit zoo. When any nonprofit zoo shall
16 contract for the purpose of constructing, equipping, reconstructing, main-
17 taining, repairing, enlarging, furnishing or remodeling facilities, it shall
18 obtain from the state and furnish to the contractor an exemption certifi-
19 cate for the project involved, and the contractor may purchase materials
20 for incorporation in such project. The contractor shall furnish the number
21 of such certificate to all suppliers from whom such purchases are made,
22 and such suppliers shall execute invoices covering the same bearing the
23 number of such certificate. Upon completion of the project the contractor
24 shall furnish to the nonprofit zoo concerned a sworn statement, on a form
25 to be provided by the director of taxation, that all purchases so made were
26 entitled to exemption under this subsection. All invoices shall be held by
27 the contractor for a period of five years and shall be subject to audit by
28 the director of taxation. If any materials purchased under such a certifi-
29 cate are found not to have been incorporated in the building or other
30 project or not to have been returned for credit or the sales or compen-
31 sating tax otherwise imposed upon such materials which will not be so
32 incorporated in the building or other project reported and paid by such
33 contractor to the director of taxation not later than the 20th day of the
34 month following the close of the month in which it shall be determined
35 that such materials will not be used for the purpose for which such cer-
36 tificate was issued, the nonprofit zoo concerned shall be liable for tax on
37 all materials purchased for the project, and upon payment thereof it may
38 recover the same from the contractor together with reasonable attorney
39 fees. Any contractor or any agent, employee or subcontractor thereof,
40 who shall use or otherwise dispose of any materials purchased under such
41 a certificate for any purpose other than that for which such a certificate
42 is issued without the payment of the sales or compensating tax otherwise
43 imposed upon such materials, shall be guilty of a misdemeanor and, upon

1 conviction therefor, shall be subject to the penalties provided for in sub-
2 section (g) of K.S.A. 79-3615, and amendments thereto;

3 (yy) all sales of tangible personal property and services purchased by
4 a parent-teacher association or organization, and all sales of tangible per-
5 sonal property by or on behalf of such association or organization;

6 (zz) all sales of machinery and equipment purchased by over-the-air,
7 free access radio or television station which is used directly and primarily
8 for the purpose of producing a broadcast signal or is such that the failure
9 of the machinery or equipment to operate would cause broadcasting to
10 cease. For purposes of this subsection, machinery and equipment shall
11 include, but not be limited to, that required by rules and regulations of
12 the federal communications commission, and all sales of electricity which
13 are essential or necessary for the purpose of producing a broadcast signal
14 or is such that the failure of the electricity would cause broadcasting to
15 cease;

16 (aaa) all sales of tangible personal property and services purchased
17 by a religious organization which is exempt from federal income taxation
18 pursuant to section 501(c)(3) of the federal internal revenue code, and
19 used exclusively for religious purposes, and all sales of tangible personal
20 property or services purchased by a contractor for the purpose of con-
21 structing, equipping, reconstructing, maintaining, repairing, enlarging,
22 furnishing or remodeling facilities for any such organization which would
23 be exempt from taxation under the provisions of this section if purchased
24 directly by such organization. Nothing in this subsection shall be deemed
25 to exempt the purchase of any construction machinery, equipment or
26 tools used in the constructing, equipping, reconstructing, maintaining,
27 repairing, enlarging, furnishing or remodeling facilities for any such or-
28 ganization. When any such organization shall contract for the purpose of
29 constructing, equipping, reconstructing, maintaining, repairing, enlarg-
30 ing, furnishing or remodeling facilities, it shall obtain from the state and
31 furnish to the contractor an exemption certificate for the project involved,
32 and the contractor may purchase materials for incorporation in such pro-
33 ject. The contractor shall furnish the number of such certificate to all
34 suppliers from whom such purchases are made, and such suppliers shall
35 execute invoices covering the same bearing the number of such certifi-
36 cate. Upon completion of the project the contractor shall furnish to such
37 organization concerned a sworn statement, on a form to be provided by
38 the director of taxation, that all purchases so made were entitled to ex-
39 emption under this subsection. All invoices shall be held by the contractor
40 for a period of five years and shall be subject to audit by the director of
41 taxation. If any materials purchased under such a certificate are found
42 not to have been incorporated in the building or other project or not to
43 have been returned for credit or the sales or compensating tax otherwise

1 imposed upon such materials which will not be so incorporated in the
2 building or other project reported and paid by such contractor to the
3 director of taxation not later than the 20th day of the month following
4 the close of the month in which it shall be determined that such materials
5 will not be used for the purpose for which such certificate was issued,
6 such organization concerned shall be liable for tax on all materials pur-
7 chased for the project, and upon payment thereof it may recover the same
8 from the contractor together with reasonable attorney fees. Any contrac-
9 tor or any agent, employee or subcontractor thereof, who shall use or
10 otherwise dispose of any materials purchased under such a certificate for
11 any purpose other than that for which such a certificate is issued without
12 the payment of the sales or compensating tax otherwise imposed upon
13 such materials, shall be guilty of a misdemeanor and, upon conviction
14 therefor, shall be subject to the penalties provided for in subsection (g)
15 of K.S.A. 79-3615, and amendments thereto. Sales tax paid on and after
16 July 1, 1998, but prior to the effective date of this act upon the gross
17 receipts received from any sale exempted by the amendatory provisions
18 of this subsection shall be refunded. Each claim for a sales tax refund
19 shall be verified and submitted to the director of taxation upon forms
20 furnished by the director and shall be accompanied by any additional
21 documentation required by the director. The director shall review each
22 claim and shall refund that amount of sales tax paid as determined under
23 the provisions of this subsection. All refunds shall be paid from the sales
24 tax refund fund upon warrants of the director of accounts and reports
25 pursuant to vouchers approved by the director or the director's designee;

26 (bbb) all sales of food for human consumption by an organization
27 which is exempt from federal income taxation pursuant to section 501
28 (c)(3) of the federal internal revenue code of 1986, pursuant to a food
29 distribution program which offers such food at a price below cost in
30 exchange for the performance of community service by the purchaser
31 thereof;

32 (ccc) on and after July 1, 1999, all sales of tangible personal property
33 and services purchased by a primary care clinic or health center the pri-
34 mary purpose of which is to provide services to medically underserved
35 individuals and families, and which is exempt from federal income taxa-
36 tion pursuant to section 501 (c)(3) of the federal internal revenue code,
37 and all sales of tangible personal property or services purchased by a
38 contractor for the purpose of constructing, equipping, reconstructing,
39 maintaining, repairing, enlarging, furnishing or remodeling facilities for
40 any such clinic or center which would be exempt from taxation under the
41 provisions of this section if purchased directly by such clinic or center.
42 Nothing in this subsection shall be deemed to exempt the purchase of
43 any construction machinery, equipment or tools used in the constructing,

1 equipping, reconstructing, maintaining, repairing, enlarging, furnishing
2 or remodeling facilities for any such clinic or center. When any such clinic
3 or center shall contract for the purpose of constructing, equipping, re-
4 constructing, maintaining, repairing, enlarging, furnishing or remodeling
5 facilities, it shall obtain from the state and furnish to the contractor an
6 exemption certificate for the project involved, and the contractor may
7 purchase materials for incorporation in such project. The contractor shall
8 furnish the number of such certificate to all suppliers from whom such
9 purchases are made, and such suppliers shall execute invoices covering
10 the same bearing the number of such certificate. Upon completion of the
11 project the contractor shall furnish to such clinic or center concerned a
12 sworn statement, on a form to be provided by the director of taxation,
13 that all purchases so made were entitled to exemption under this subsec-
14 tion. All invoices shall be held by the contractor for a period of five years
15 and shall be subject to audit by the director of taxation. If any materials
16 purchased under such a certificate are found not to have been incorpo-
17 rated in the building or other project or not to have been returned for
18 credit or the sales or compensating tax otherwise imposed upon such
19 materials which will not be so incorporated in the building or other pro-
20 ject reported and paid by such contractor to the director of taxation not
21 later than the 20th day of the month following the close of the month in
22 which it shall be determined that such materials will not be used for the
23 purpose for which such certificate was issued, such clinic or center con-
24 cerned shall be liable for tax on all materials purchased for the project,
25 and upon payment thereof it may recover the same from the contractor
26 together with reasonable attorney fees. Any contractor or any agent, em-
27 ployee or subcontractor thereof, who shall use or otherwise dispose of
28 any materials purchased under such a certificate for any purpose other
29 than that for which such a certificate is issued without the payment of
30 the sales or compensating tax otherwise imposed upon such materials,
31 shall be guilty of a misdemeanor and, upon conviction therefor, shall be
32 subject to the penalties provided for in subsection (g) of K.S.A. 79-3615,
33 and amendments thereto;

34 (ddd) on and after January 1, 1999, and before January 1, 2000, all
35 sales of materials and services purchased by any class II or III railroad as
36 classified by the federal surface transportation board for the construction,
37 renovation, repair or replacement of class II or III railroad track and
38 facilities used directly in interstate commerce. In the event any such track
39 or facility for which materials and services were purchased sales tax ex-
40 empt is not operational for five years succeeding the allowance of such
41 exemption, the total amount of sales tax which would have been payable
42 except for the operation of this subsection shall be recouped in accord-
43 ance with rules and regulations adopted for such purpose by the secretary

1 of revenue;

2 (eee) on and after January 1, 1999, and before January 1, 2001, all
3 sales of materials and services purchased for the original construction,
4 reconstruction, repair or replacement of grain storage facilities, including
5 railroad sidings providing access thereto;

6 (fff) all sales of material handling equipment, racking systems and
7 other related machinery and equipment that is used for the handling,
8 movement or storage of tangible personal property in a warehouse or
9 distribution facility in this state; all sales of installation, repair and main-
10 tenance services performed on such machinery and equipment; and all
11 sales of repair and replacement parts for such machinery and equipment.
12 For purposes of this subsection, a warehouse or distribution facility means
13 a single, fixed location that consists of buildings or structures in a contig-
14 uous area where storage or distribution operations are conducted that are
15 separate and apart from the business' retail operations, if any, and which
16 do not otherwise qualify for exemption as occurring at a manufacturing
17 or processing plant or facility. Material handling and storage equipment
18 shall include aeration, dust control, cleaning, handling and other such
19 equipment that is used in a public grain warehouse or other commercial
20 grain storage facility, whether used for grain handling, grain storage, grain
21 refining or processing, or other grain treatment operation;

22 (ggg) all sales of tangible personal property and services purchased
23 by or on behalf of the Kansas Academy of Science which is exempt from
24 federal income taxation pursuant to section 501(c)(3) of the federal in-
25 ternal revenue code of 1986, and used solely by such academy for the
26 preparation, publication and dissemination of education materials;

27 (hhh) all sales of tangible personal property and services purchased
28 by or on behalf of all domestic violence shelters that are member agencies
29 of the Kansas coalition against sexual and domestic violence;

30 (iii) all sales of personal property and services purchased by an or-
31 ganization which is exempt from federal income taxation pursuant to sec-
32 tion 501(c)(3) of the federal internal revenue code of 1986, and which
33 such personal property and services are used by any such organization in
34 the collection, storage and distribution of food products to nonprofit or-
35 ganizations which distribute such food products to persons pursuant to a
36 food distribution program on a charitable basis without fee or charge, and
37 all sales of tangible personal property or services purchased by a contrac-
38 tor for the purpose of constructing, equipping, reconstructing, maintain-
39 ing, repairing, enlarging, furnishing or remodeling facilities used for the
40 collection and storage of such food products for any such organization
41 which is exempt from federal income taxation pursuant to section
42 501(c)(3) of the federal internal revenue code of 1986, which would be
43 exempt from taxation under the provisions of this section if purchased

1 directly by such organization. Nothing in this subsection shall be deemed
2 to exempt the purchase of any construction machinery, equipment or
3 tools used in the constructing, equipping, reconstructing, maintaining,
4 repairing, enlarging, furnishing or remodeling facilities for any such or-
5 ganization. When any such organization shall contract for the purpose of
6 constructing, equipping, reconstructing, maintaining, repairing, enlarg-
7 ing, furnishing or remodeling facilities, it shall obtain from the state and
8 furnish to the contractor an exemption certificate for the project involved,
9 and the contractor may purchase materials for incorporation in such pro-
10 ject. The contractor shall furnish the number of such certificate to all
11 suppliers from whom such purchases are made, and such suppliers shall
12 execute invoices covering the same bearing the number of such certifi-
13 cate. Upon completion of the project the contractor shall furnish to such
14 organization concerned a sworn statement, on a form to be provided by
15 the director of taxation, that all purchases so made were entitled to ex-
16 emption under this subsection. All invoices shall be held by the contractor
17 for a period of five years and shall be subject to audit by the director of
18 taxation. If any materials purchased under such a certificate are found
19 not to have been incorporated in such facilities or not to have been re-
20 turned for credit or the sales or compensating tax otherwise imposed upon
21 such materials which will not be so incorporated in such facilities reported
22 and paid by such contractor to the director of taxation not later than the
23 20th day of the month following the close of the month in which it shall
24 be determined that such materials will not be used for the purpose for
25 which such certificate was issued, such organization concerned shall be
26 liable for tax on all materials purchased for the project, and upon payment
27 thereof it may recover the same from the contractor together with rea-
28 sonable attorney fees. Any contractor or any agent, employee or subcon-
29 tractor thereof, who shall use or otherwise dispose of any materials pur-
30 chased under such a certificate for any purpose other than that for which
31 such a certificate is issued without the payment of the sales or compen-
32 sating tax otherwise imposed upon such materials, shall be guilty of a
33 misdemeanor and, upon conviction therefor, shall be subject to the pen-
34 alties provided for in subsection (g) of K.S.A. 79-3615, and amendments
35 thereto. Sales tax paid on and after July 1, 2005, but prior to the effective
36 date of this act upon the gross receipts received from any sale exempted
37 by the amendatory provisions of this subsection shall be refunded. Each
38 claim for a sales tax refund shall be verified and submitted to the director
39 of taxation upon forms furnished by the director and shall be accompanied
40 by any additional documentation required by the director. The director
41 shall review each claim and shall refund that amount of sales tax paid as
42 determined under the provisions of this subsection. All refunds shall be
43 paid from the sales tax refund fund upon warrants of the director of

- 1 accounts and reports pursuant to vouchers approved by the director or
2 the director's designee;
- 3 (jjj) all sales of dietary supplements dispensed pursuant to a prescrip-
4 tion order by a licensed practitioner or a mid-level practitioner as defined
5 by K.S.A. 65-1626, and amendments thereto. As used in this subsection,
6 "dietary supplement" means any product, other than tobacco, intended
7 to supplement the diet that: (1) Contains one or more of the following
8 dietary ingredients: A vitamin, a mineral, an herb or other botanical, an
9 amino acid, a dietary substance for use by humans to supplement the diet
10 by increasing the total dietary intake or a concentrate, metabolite, con-
11 stituent, extract or combination of any such ingredient; (2) is intended
12 for ingestion in tablet, capsule, powder, softgel, gelcap or liquid form, or
13 if not intended for ingestion, in such a form, is not represented as con-
14 ventional food and is not represented for use as a sole item of a meal or
15 of the diet; and (3) is required to be labeled as a dietary supplement,
16 identifiable by the supplemental facts box found on the label and as re-
17 quired pursuant to 21 C.F.R. § 101.36;
- 18 (lll) all sales of tangible personal property and services purchased by
19 special olympics Kansas, inc. for the purpose of providing year-round
20 sports training and athletic competition in a variety of olympic-type sports
21 for individuals with intellectual disabilities by giving them continuing op-
22 portunities to develop physical fitness, demonstrate courage, experience
23 joy and participate in a sharing of gifts, skills and friendship with their
24 families, other special olympics athletes and the community, and activities
25 provided or sponsored by such organization, and all sales of tangible per-
26 sonal property by or on behalf of any such organization;
- 27 (mmm) all sales of tangible personal property purchased by or on
28 behalf of the Marillac Center, Inc., which is exempt from federal income
29 taxation pursuant to section 501(c)(3) of the federal internal revenue
30 code, for the purpose of providing psycho-social-biological and special
31 education services to children, and all sales of any such property by or on
32 behalf of such organization for such purpose;
- 33 (nnn) all sales of tangible personal property and services purchased
34 by the West Sedgwick County-Sunrise Rotary Club and Sunrise Char-
35 itable Fund for the purpose of constructing a boundless playground which
36 is an integrated, barrier free and developmentally advantageous play en-
37 vironment for children of all abilities and disabilities;
- 38 (ooo) all sales of tangible personal property by or on behalf of a public
39 library serving the general public and supported in whole or in part with
40 tax money or a not-for-profit organization whose purpose is to raise funds
41 for or provide services or other benefits to any such public library;
- 42 (ppp) all sales of tangible personal property and services purchased
43 by or on behalf of a homeless shelter which is exempt from federal income

1 taxation pursuant to section 501(c)(3) of the federal income tax code of
2 1986, and used by any such homeless shelter to provide emergency and
3 transitional housing for individuals and families experiencing homeless-
4 ness, and all sales of any such property by or on behalf of any such home-
5 less shelter for any such purpose;

6 (qqq) all sales of tangible personal property and services purchased
7 by TLC for children and families, inc., hereinafter referred to as TLC,
8 which is exempt from federal income taxation pursuant to section
9 501(c)(3) of the federal internal revenue code of 1986, and which such
10 property and services are used for the purpose of providing emergency
11 shelter and treatment for abused and neglected children as well as meet-
12 ing additional critical needs for children, juveniles and family, and all sales
13 of any such property by or on behalf of TLC for any such purpose; and
14 all sales of tangible personal property or services purchased by a contrac-
15 tor for the purpose of constructing, maintaining, repairing, enlarging, fur-
16 nishing or remodeling facilities for the operation of services for TLC for
17 any such purpose which would be exempt from taxation under the pro-
18 visions of this section if purchased directly by TLC. Nothing in this sub-
19 section shall be deemed to exempt the purchase of any construction ma-
20 chinery, equipment or tools used in the constructing, maintaining,
21 repairing, enlarging, furnishing or remodeling such facilities for TLC.
22 When TLC contracts for the purpose of constructing, maintaining, re-
23 pairing, enlarging, furnishing or remodeling such facilities, it shall obtain
24 from the state and furnish to the contractor an exemption certificate for
25 the project involved, and the contractor may purchase materials for in-
26 corporation in such project. The contractor shall furnish the number of
27 such certificate to all suppliers from whom such purchases are made, and
28 such suppliers shall execute invoices covering the same bearing the num-
29 ber of such certificate. Upon completion of the project the contractor
30 shall furnish to TLC a sworn statement, on a form to be provided by the
31 director of taxation, that all purchases so made were entitled to exemption
32 under this subsection. All invoices shall be held by the contractor for a
33 period of five years and shall be subject to audit by the director of taxation.
34 If any materials purchased under such a certificate are found not to have
35 been incorporated in the building or other project or not to have been
36 returned for credit or the sales or compensating tax otherwise imposed
37 upon such materials which will not be so incorporated in the building or
38 other project reported and paid by such contractor to the director of
39 taxation not later than the 20th day of the month following the close of
40 the month in which it shall be determined that such materials will not be
41 used for the purpose for which such certificate was issued, TLC shall be
42 liable for tax on all materials purchased for the project, and upon payment
43 thereof it may recover the same from the contractor together with rea-

1 sonable attorney fees. Any contractor or any agent, employee or subcon-
2 tractor thereof, who shall use or otherwise dispose of any materials pur-
3 chased under such a certificate for any purpose other than that for which
4 such a certificate is issued without the payment of the sales or compen-
5 sating tax otherwise imposed upon such materials, shall be guilty of a
6 misdemeanor and, upon conviction therefor, shall be subject to the pen-
7 alties provided for in subsection (g) of K.S.A. 79-3615, and amendments
8 thereto;

9 (rrr) all sales of tangible personal property and services purchased by
10 any county law library maintained pursuant to law and sales of tangible
11 personal property and services purchased by an organization which would
12 have been exempt from taxation under the provisions of this subsection
13 if purchased directly by the county law library for the purpose of providing
14 legal resources to attorneys, judges, students and the general public, and
15 all sales of any such property by or on behalf of any such county law
16 library;

17 (sss) all sales of tangible personal property and services purchased by
18 catholic charities or youthville, hereinafter referred to as charitable family
19 providers, which is exempt from federal income taxation pursuant to sec-
20 tion 501(c)(3) of the federal internal revenue code of 1986, and which
21 such property and services are used for the purpose of providing emer-
22 gency shelter and treatment for abused and neglected children as well as
23 meeting additional critical needs for children, juveniles and family, and
24 all sales of any such property by or on behalf of charitable family providers
25 for any such purpose; and all sales of tangible personal property or serv-
26 ices purchased by a contractor for the purpose of constructing, maintain-
27 ing, repairing, enlarging, furnishing or remodeling facilities for the op-
28 eration of services for charitable family providers for any such purpose
29 which would be exempt from taxation under the provisions of this section
30 if purchased directly by charitable family providers. Nothing in this sub-
31 section shall be deemed to exempt the purchase of any construction ma-
32 chinery, equipment or tools used in the constructing, maintaining, re-
33 pairing, enlarging, furnishing or remodeling such facilities for charitable
34 family providers. When charitable family providers contracts for the pur-
35 pose of constructing, maintaining, repairing, enlarging, furnishing or re-
36 modeling such facilities, it shall obtain from the state and furnish to the
37 contractor an exemption certificate for the project involved, and the con-
38 tractor may purchase materials for incorporation in such project. The
39 contractor shall furnish the number of such certificate to all suppliers
40 from whom such purchases are made, and such suppliers shall execute
41 invoices covering the same bearing the number of such certificate. Upon
42 completion of the project the contractor shall furnish to charitable family
43 providers a sworn statement, on a form to be provided by the director of

1 taxation, that all purchases so made were entitled to exemption under
2 this subsection. All invoices shall be held by the contractor for a period
3 of five years and shall be subject to audit by the director of taxation. If
4 any materials purchased under such a certificate are found not to have
5 been incorporated in the building or other project or not to have been
6 returned for credit or the sales or compensating tax otherwise imposed
7 upon such materials which will not be so incorporated in the building or
8 other project reported and paid by such contractor to the director of
9 taxation not later than the 20th day of the month following the close of
10 the month in which it shall be determined that such materials will not be
11 used for the purpose for which such certificate was issued, charitable
12 family providers shall be liable for tax on all materials purchased for the
13 project, and upon payment thereof it may recover the same from the
14 contractor together with reasonable attorney fees. Any contractor or any
15 agent, employee or subcontractor thereof, who shall use or otherwise
16 dispose of any materials purchased under such a certificate for any pur-
17 pose other than that for which such a certificate is issued without the
18 payment of the sales or compensating tax otherwise imposed upon such
19 materials, shall be guilty of a misdemeanor and, upon conviction therefor,
20 shall be subject to the penalties provided for in subsection (g) of K.S.A.
21 79-3615, and amendments thereto;

22 (ttt) all sales of tangible personal property or services purchased by
23 a contractor for a project for the purpose of restoring, constructing, equip-
24 ping, reconstructing, maintaining, repairing, enlarging, furnishing or re-
25 modeling a home or facility owned by a nonprofit museum which has
26 been granted an exemption pursuant to subsection (qq), which such home
27 or facility is located in a city which has been designated as a qualified
28 hometown pursuant to the provisions of K.S.A. 75-5071 et seq., and
29 amendments thereto, and which such project is related to the purposes
30 of K.S.A. 75-5071 et seq., and amendments thereto, and which would be
31 exempt from taxation under the provisions of this section if purchased
32 directly by such nonprofit museum. Nothing in this subsection shall be
33 deemed to exempt the purchase of any construction machinery, equip-
34 ment or tools used in the restoring, constructing, equipping, reconstruct-
35 ing, maintaining, repairing, enlarging, furnishing or remodeling a home
36 or facility for any such nonprofit museum. When any such nonprofit mu-
37 seum shall contract for the purpose of restoring, constructing, equipping,
38 reconstructing, maintaining, repairing, enlarging, furnishing or remodel-
39 ing a home or facility, it shall obtain from the state and furnish to the
40 contractor an exemption certificate for the project involved, and the con-
41 tractor may purchase materials for incorporation in such project. The
42 contractor shall furnish the number of such certificates to all suppliers
43 from whom such purchases are made, and such suppliers shall execute

1 invoices covering the same bearing the number of such certificate. Upon
2 completion of the project, the contractor shall furnish to such nonprofit
3 museum a sworn statement on a form to be provided by the director of
4 taxation that all purchases so made were entitled to exemption under this
5 subsection. All invoices shall be held by the contractor for a period of five
6 years and shall be subject to audit by the director of taxation. If any
7 materials purchased under such a certificate are found not to have been
8 incorporated in the building or other project or not to have been returned
9 for credit or the sales or compensating tax otherwise imposed upon such
10 materials which will not be so incorporated in a home or facility or other
11 project reported and paid by such contractor to the director of taxation
12 not later than the 20th day of the month following the close of the month
13 in which it shall be determined that such materials will not be used for
14 the purpose for which such certificate was issued, such nonprofit museum
15 shall be liable for tax on all materials purchased for the project, and upon
16 payment thereof it may recover the same from the contractor together
17 with reasonable attorney fees. Any contractor or any agent, employee or
18 subcontractor thereof, who shall use or otherwise dispose of any materials
19 purchased under such a certificate for any purpose other than that for
20 which such a certificate is issued without the payment of the sales or
21 compensating tax otherwise imposed upon such materials, shall be guilty
22 of a misdemeanor and, upon conviction therefor, shall be subject to the
23 penalties provided for in subsection (g) of K.S.A. 79-3615, and amend-
24 ments thereto;

25 (uuu) all sales of tangible personal property and services purchased
26 by Kansas children's service league, hereinafter referred to as KCSL,
27 which is exempt from federal income taxation pursuant to section
28 501(c)(3) of the federal internal revenue code of 1986, and which such
29 property and services are used for the purpose of providing for the pre-
30 vention and treatment of child abuse and maltreatment as well as meeting
31 additional critical needs for children, juveniles and family, and all sales of
32 any such property by or on behalf of KCSL for any such purpose; and all
33 sales of tangible personal property or services purchased by a contractor
34 for the purpose of constructing, maintaining, repairing, enlarging, fur-
35 nishing or remodeling facilities for the operation of services for KCSL
36 for any such purpose which would be exempt from taxation under the
37 provisions of this section if purchased directly by KCSL. Nothing in this
38 subsection shall be deemed to exempt the purchase of any construction
39 machinery, equipment or tools used in the constructing, maintaining, re-
40 pairing, enlarging, furnishing or remodeling such facilities for KCSL.
41 When KCSL contracts for the purpose of constructing, maintaining, re-
42 pairing, enlarging, furnishing or remodeling such facilities, it shall obtain
43 from the state and furnish to the contractor an exemption certificate for

1 the project involved, and the contractor may purchase materials for in-
2 corporation in such project. The contractor shall furnish the number of
3 such certificate to all suppliers from whom such purchases are made, and
4 such suppliers shall execute invoices covering the same bearing the num-
5 ber of such certificate. Upon completion of the project the contractor
6 shall furnish to KCSL a sworn statement, on a form to be provided by
7 the director of taxation, that all purchases so made were entitled to ex-
8 emption under this subsection. All invoices shall be held by the contractor
9 for a period of five years and shall be subject to audit by the director of
10 taxation. If any materials purchased under such a certificate are found
11 not to have been incorporated in the building or other project or not to
12 have been returned for credit or the sales or compensating tax otherwise
13 imposed upon such materials which will not be so incorporated in the
14 building or other project reported and paid by such contractor to the
15 director of taxation not later than the 20th day of the month following
16 the close of the month in which it shall be determined that such materials
17 will not be used for the purpose for which such certificate was issued,
18 KCSL shall be liable for tax on all materials purchased for the project,
19 and upon payment thereof it may recover the same from the contractor
20 together with reasonable attorney fees. Any contractor or any agent, em-
21 ployee or subcontractor thereof, who shall use or otherwise dispose of
22 any materials purchased under such a certificate for any purpose other
23 than that for which such a certificate is issued without the payment of
24 the sales or compensating tax otherwise imposed upon such materials,
25 shall be guilty of a misdemeanor and, upon conviction therefor, shall be
26 subject to the penalties provided for in subsection (g) of K.S.A. 79-3615,
27 and amendments thereto;

28 (vvv) all sales of tangible personal property or services, including the
29 renting and leasing of tangible personal property or services, purchased
30 by Jazz in the Woods, Inc., a Kansas corporation which is exempt from
31 federal income taxation pursuant to section 501 (c)(3) of the federal in-
32 ternal revenue code, for the purpose of providing Jazz in the Woods, an
33 event benefiting children-in-need and other nonprofit charities assisting
34 such children, and all sales of any such property by or on behalf of such
35 organization for such purpose;

36 (www) all sales of tangible personal property purchased by or on be-
37 half of the Frontenac Education Foundation, which is exempt from fed-
38 eral income taxation pursuant to section 501 (c)(3) of the federal internal
39 revenue code, for the purpose of providing education support for stu-
40 dents, and all sales of any such property by or on behalf of such organi-
41 zation for such purpose;

42 (xxx) all sales of personal property and services purchased by the
43 booth theatre foundation, inc., an organization which is exempt from fed-

1 eral income taxation pursuant to section 501(c)(3) of the federal internal
2 revenue code of 1986, and which such personal property and services are
3 used by any such organization in the constructing, equipping, recon-
4 structing, maintaining, repairing, enlarging, furnishing or remodeling of
5 the booth theatre, and all sales of tangible personal property or services
6 purchased by a contractor for the purpose of constructing, equipping,
7 reconstructing, maintaining, repairing, enlarging, furnishing or remodel-
8 ing the booth theatre for such organization, which would be exempt from
9 taxation under the provisions of this section if purchased directly by such
10 organization. Nothing in this subsection shall be deemed to exempt the
11 purchase of any construction machinery, equipment or tools used in the
12 constructing, equipping, reconstructing, maintaining, repairing, enlarg-
13 ing, furnishing or remodeling facilities for any such organization. When
14 any such organization shall contract for the purpose of constructing,
15 equipping, reconstructing, maintaining, repairing, enlarging, furnishing
16 or remodeling facilities, it shall obtain from the state and furnish to the
17 contractor an exemption certificate for the project involved, and the con-
18 tractor may purchase materials for incorporation in such project. The
19 contractor shall furnish the number of such certificate to all suppliers
20 from whom such purchases are made, and such suppliers shall execute
21 invoices covering the same bearing the number of such certificate. Upon
22 completion of the project the contractor shall furnish to such organization
23 concerned a sworn statement, on a form to be provided by the director
24 of taxation, that all purchases so made were entitled to exemption under
25 this subsection. All invoices shall be held by the contractor for a period
26 of five years and shall be subject to audit by the director of taxation. If
27 any materials purchased under such a certificate are found not to have
28 been incorporated in such facilities or not to have been returned for credit
29 or the sales or compensating tax otherwise imposed upon such materials
30 which will not be so incorporated in such facilities reported and paid by
31 such contractor to the director of taxation not later than the 20th day of
32 the month following the close of the month in which it shall be deter-
33 mined that such materials will not be used for the purpose for which such
34 certificate was issued, such organization concerned shall be liable for tax
35 on all materials purchased for the project, and upon payment thereof it
36 may recover the same from the contractor together with reasonable at-
37 torney fees. Any contractor or any agent, employee or subcontractor
38 thereof, who shall use or otherwise dispose of any materials purchased
39 under such a certificate for any purpose other than that for which such a
40 certificate is issued without the payment of the sales or compensating tax
41 otherwise imposed upon such materials, shall be guilty of a misdemeanor
42 and, upon conviction therefor, shall be subject to the penalties provided
43 for in subsection (g) of K.S.A. 79-3615, and amendments thereto. Sales

1 tax paid on and after January 1, 2007, but prior to the effective date of
2 this act upon the gross receipts received from any sale which would have
3 been exempted by the provisions of this subsection had such sale occurred
4 after the effective date of this act shall be refunded. Each claim for a
5 sales tax refund shall be verified and submitted to the director of taxation
6 upon forms furnished by the director and shall be accompanied by any
7 additional documentation required by the director. The director shall
8 review each claim and shall refund that amount of sales tax paid as de-
9 termined under the provisions of this subsection. All refunds shall be paid
10 from the sales tax refund fund upon warrants of the director of accounts
11 and reports pursuant to vouchers approved by the director or the direc-
12 tor's designee;

13 (yyy) all sales of tangible personal property and services purchased
14 by TLC charities foundation, inc., hereinafter referred to as TLC chari-
15 ties, which is exempt from federal income taxation pursuant to section
16 501(c)(3) of the federal internal revenue code of 1986, and which such
17 property and services are used for the purpose of encouraging private
18 philanthropy to further the vision, values, and goals of TLC for children
19 and families, inc.; and all sales of such property and services by or on
20 behalf of TLC charities for any such purpose and all sales of tangible
21 personal property or services purchased by a contractor for the purpose
22 of constructing, maintaining, repairing, enlarging, furnishing or remodel-
23 ing facilities for the operation of services for TLC charities for any such
24 purpose which would be exempt from taxation under the provisions of
25 this section if purchased directly by TLC charities. Nothing in this sub-
26 section shall be deemed to exempt the purchase of any construction ma-
27 chinery, equipment or tools used in the constructing, maintaining, re-
28 pairing, enlarging, furnishing or remodeling such facilities for TLC
29 charities. When TLC charities contracts for the purpose of constructing,
30 maintaining, repairing, enlarging, furnishing or remodeling such facilities,
31 it shall obtain from the state and furnish to the contractor an exemption
32 certificate for the project involved, and the contractor may purchase ma-
33 terials for incorporation in such project. The contractor shall furnish the
34 number of such certificate to all suppliers from whom such purchases are
35 made, and such suppliers shall execute invoices covering the same bearing
36 the number of such certificate. Upon completion of the project the con-
37 tractor shall furnish to TLC charities a sworn statement, on a form to be
38 provided by the director of taxation, that all purchases so made were
39 entitled to exemption under this subsection. All invoices shall be held by
40 the contractor for a period of five years and shall be subject to audit by
41 the director of taxation. If any materials purchased under such a certifi-
42 cate are found not to have been incorporated in the building or other
43 project or not to have been returned for credit or the sales or compen-

1 sating tax otherwise imposed upon such materials which will not be in-
2 corporated into the building or other project reported and paid by such
3 contractor to the director of taxation not later than the 20th day of the
4 month following the close of the month in which it shall be determined
5 that such materials will not be used for the purpose for which such cer-
6 tificate was issued, TLC charities shall be liable for tax on all materials
7 purchased for the project, and upon payment thereof it may recover the
8 same from the contractor together with reasonable attorney fees. Any
9 contractor or any agent, employee or subcontractor thereof, who shall use
10 or otherwise dispose of any materials purchased under such a certificate
11 for any purpose other than that for which such a certificate is issued
12 without the payment of the sales or compensating tax otherwise imposed
13 upon such materials, shall be guilty of a misdemeanor and, upon convic-
14 tion therefor, shall be subject to the penalties provided for in subsection
15 (g) of K.S.A. 79-3615, and amendments thereto;

16 (zzz) all sales of tangible personal property purchased by the rotary
17 club of shawnee foundation which is exempt from federal income taxation
18 pursuant to section 501 (c)(3) of the federal internal revenue code of
19 1986, as amended, used for the purpose of providing contributions to
20 community service organizations and scholarships;

21 (aaaa) all sales of personal property and services purchased by or on
22 behalf of victory in the valley, inc., which is exempt from federal income
23 taxation pursuant to section 501 (c)(3) of the federal internal revenue
24 code, for the purpose of providing a cancer support group and services
25 for persons with cancer, and all sales of any such property by or on behalf
26 of any such organization for any such purpose;

27 (bbbb) all sales of entry or participation fees, charges or tickets by
28 Guadalupe health foundation, which is exempt from federal income tax-
29 ation pursuant to section 501(c)(3) of the federal internal revenue code,
30 for such organization's annual fundraising event which purpose is to pro-
31 vide health care services for uninsured workers; ~~and~~

32 (cccc) all sales of tangible personal property or services purchased by
33 or on behalf of wayside waifs, inc., which is exempt from federal income
34 taxation pursuant to section 501(c)(3) of the federal internal revenue
35 code, for the purpose of providing such organization's annual fundraiser,
36 an event whose purpose is to support the care of homeless and abandoned
37 animals, animal adoption efforts, education programs for children and
38 efforts to reduce animal over-population and animal welfare services, and
39 all sales of any such property, including entry or participation fees or
40 charges, by or on behalf of such organization for such purpose; *and*

41 (dddd) *all sales of tangible personal property or services purchased*
42 *by or on behalf of Kansas hunters feeding the hungry, inc., which is ex-*
43 *empt from federal income taxation pursuant to section 501(c)(3) of the*

1 *federal internal revenue code, for the purpose of supporting programs to*
2 *take, process and distribute big game for donation to poor and needy*
3 *citizens in Kansas, and all sales of any such property by or on behalf of*
4 *any such organization for any such purpose.*

5 Sec. 6. K.S.A. 2008 Supp. 32-988, 32-995 and 79-3606 are hereby
6 repealed.

7 Sec. 7. This act shall take effect and be in force from and after its
8 publication in the statute book.