

# Nursing Homes & Health Care Facilities Taxability Information Guide

The taxability of sales and purchases of tangible personal property and labor services by Nursing Homes & Health Care Facilities are summarized below. This list is not all-inclusive.

## Purchases by Nursing Homes & Health Care Facilities

Kansas sales or compensating use tax applies to those purchases identified or designated as taxable in the chart below. The applicable Kansas sales or Kansas consumers' compensating use tax must be paid to the vendor or accrued and remitted directly to the Kansas Department of Revenue. Purchases from Kansas vendors may be reported using the retailers' sales tax return. Purchases from outside this state which are delivered to this state are to be reported on the Kansas consumers' compensating use tax return.

Purchases	Taxable or Exempt
Appliances and kitchen equipment including, but not limited to, air-conditioners, microwaves, televisions, water heaters oven, refrigerators and freezers, coffee makers, mixers, sinks and dishwashers, pots, pans, mixing bowls, exhaust hoods, food processors, other food preparation supplies.	Taxable
Menus, candles, candleholders, condiment dispensers, dishes, glassware, cups, silverware, cookware and napkin dispensers.	Taxable
Items such as clothing, hospital gowns, robes, slippers, bathroom and facial tissue, bed and bath linens, cleaning and sterilization supplies, lab coats, smocks, medical forms and charts, medical linens and latex gloves.	Taxable
Items used such as wax paper, stretch wrap, foil, paper towels, dish soap, cleaning materials and garbage bags.	Taxable
Containers for hazardous waste.	Taxable
Oxygen tanks, humidifiers, concentrators, other oxygen delivery equipment, kidney dialysis equipment and enteral feeding systems, if prescribed by a licensed practitioner.	Exempt
Drugs dispensed pursuant to a prescription order by a licensed practitioner.	Exempt
Mobility enhancing equipment, such as wheelchairs and walkers, and prosthetic devices, if prescribed by a licensed practitioner.	Exempt
Tangible personal property used for human habitation purposes.	Taxable
Medical supplies and equipment, physical therapy equipment for the purpose of providing medical services to residents, durable medical equipment and wheelchair cushions, braces and supports that do not become part of the wheelchair (except direct purchases by nonprofit skilled nursing homes or nonprofit intermediate nursing care homes are exempt.)	Taxable
Bandages, bibs, diapers and splints worn on body.	Exempt
Diabetic supplies such as single-use strips, swabs, syringes, and wipes.	Exempt
Separate charges to residents for telephone or cable services.	Taxable
Sleeping accommodations for family guests or non residents of nursing home.	Taxable
Cloth tablecloths, cloth napkins, uniforms, pictures, plants, decorations.	Taxable
Disposable items including but not limited to: plastic dinnerware and table service, drinking straws, paper napkins, paper or plastic bags and paper bibs, disposable wipes.	Taxable
Utilities (electricity, water, gas, heat) for certain Non-Profit nursing homes exempt from real estate property tax. <b>Note: Must file the Board of Tax Appeals letter determination with the utility provider.</b>	Taxable
Utilities for portion of nursing home other than residents' rooms (without BOTA Exemption)	Taxable
Utilities for residents' rooms (electricity, gas, heat) without the BOTA Exemption. Must provide utility provider a utility study verifying exempt percentage. Exempt from State tax. (Note: water for residential use has no state or local tax.)	Taxable
Merchandise purchased for resale or rental to customers, including freight or delivery charges.	Exempt
Merchandise withdrawn from resale inventory for store use or consumption (including for use during instructional classes).	Taxable
Tangible personal property to be given away or donated (Items that are given away or donated to a tax exempt entity are not subject to sales tax).	Taxable
Complimentary items such as bottled water, soft drinks, coffee, creamer, sugar, cups and stir sticks, and candy.	Taxable
Promotional items, including but not limited to, calendars, mugs, pens and items of clothing.	Taxable
Freight or delivery charges, billed by the vendor, on purchases subject to sales/use tax.	Taxable
Reference books and materials, newspaper and magazine subscriptions, forms, printed matter (including promotional brochures, etc.), business cards, notepads, etc.	Taxable

Office supplies such as office forms, staplers, paper, pens, pencils, labels, ink, toner and ribbon cartridges.	Taxable
Laptop and desktop computers, copiers, printers, fax machines, calculators, telephones and other similar equipment.	Taxable
Furniture and fixtures, including but not limited to, desks, lights, tables, chairs, plants, planters, artwork and signs.	Taxable
Shelving, display racks, checkout counters, storage cabinets, display cases, bar code scanners, cash registers, cash register supplies, bins, boxes, etc.	Taxable
Break room supplies such as microwaves, refrigerators, tables, chairs, and paper products.	Taxable

**Purchases continued**

**Taxable or Exempt**

Equipment included, but not limited to, motor vehicles, hydraulic equipment, dollies, ladders, batteries and chargers, fans, including the charges for repair and/or maintaining said equipment.	Taxable
Lease or rental of any tangible personal property such as copiers, fax machines, equipment, or vehicles.	Taxable
Software or databases accessed via the internet and not installed on owned or leased computers or servers.	Exempt
Parts and labor services of repairing, servicing, altering or maintaining tangible personal property, such as computers, printers, copiers and security equipment.	Taxable
Warranty or service agreements for tangible personal property such as computers, printers, copiers and security equipment.	Taxable
Printed materials such as catalogs and flyers distributed directly to customers at the store or mailed directly to customers or prospective customers through mailing or delivery service.	Taxable
Printed materials provided to a newspaper or other publication to be included as an insert in the newspaper or publication that is to be sold at retail.	Exempt
Signs, banners or posters purchased from an outside printer, or the costs of all materials if produced by the store.	Taxable
Exterior building or parking lot signage, including charges for parts and labor for repairs and maintenance.	Taxable
Advertising as in newspapers, radio, or television.	Exempt
Professional services such as legal or accounting services.	Exempt
Canned software, software upgrades and labor services to modify, alter, update or maintain software.	Taxable
Customized software, software upgrades and labor services to modify, alter, update or maintain customized software. "Customized" software is software developed for a single end user.	Exempt
Software or databases accessed via the internet and not installed on owned or leased computers or servers.	Exempt
Labor services on <b>original construction</b> of a new building or facility.	Exempt
Labor services for repairs, maintenance and remodeling of <b>existing</b> commercial buildings or facilities.	Taxable
Security cameras, mirrors, security tags, tag detachers, countertop deactivators, all other security equipment.	Taxable
Security systems monitoring service.	Exempt
Cleaning services (except when applying products such as wax, scotch guard, etc), plant watering and care.	Exempt
Janitorial supplies such as vacuums, carpet cleaners, sweepers, scrubbers, floor waxers, rags, and toiletries.	Taxable
Trash removal, shredding services.	Exempt
Linen services.	Taxable
Pest control materials and supplies.	Taxable

**Sales by Nursing Homes & Health Care Facilities:**

\*Sales/rentals to entities with proper exemption certificates provided are exempt from sales tax. Ensure the exemption certificates are retained to substantiate all non-taxed transactions.

Note: Kansas tax applies to the "gross receipts" from the sale of taxable goods or services in Kansas. Gross receipts include amounts collected from the customer such as charges billed for freight, delivery or special handling.

The taxability of sales of tangible personal property and labor services by Nursing Homes & Health Care Facilities is summarized below. This list is not all inclusive.

**Sales**

**Taxable or Exempt**

Sales of meals or drinks to non residents of the nursing home, including meals sold to employees at full or reduced price.	Taxable
Sales of miscellaneous non-prescription supplies to residents or guests.	Taxable
Services provided to residents including therapy, salon and van rides.	Exempt
Vending machine sales.	Taxable
Educational classes (ie nutrition, smoking cessation).	Exempt