**Opinion Letter**

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| **Letter Number:** | **O-1998-02** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Taxability of farm machinery and equipment, and repair and replacement parts.** |
| **Keywords:** |  |
| **Approval Date:** | **08/05/1998** |

**Body:**

Office of Policy & Research

August 5, 1998

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Dear Mr. TTTTTTTT:

We wish to acknowledge receipt of your letter dated April 29, 1998, regarding the application of Kansas Retailers’ Sales tax.

K.S.A. 79-3606(t) exempts from sales tax: “all sales of farm machinery and equipment or aquaculture machinery and equipment, repair and replacement parts therefor and services performed in the repair and maintenance of such equipment. For purposes of this subsection the term “farm machinery and equipment or aquaculture machinery and equipment” shall include machinery and equipment used in the operation of Christmas tree farming but shall not include any passenger vehicle, truck, truck tractor, trailer, semitrailer or pole trailer, other than a farm trailer, as such terms are defined by K.S.A. 8-126 and amendments thereto. . .”

Aside from the farm machinery and equipment sales tax exemption, farmers and ranchers must usually pay sales tax on items purchased for use in farming and ranching operations. Thus, purchases of boots, gloves, work clothes, fencing materials, building materials, baling twine and wire, hand tools, etc., are subject to sales tax in the state of Kansas.

Please be advised that it is the opinion of this department that both bolts, nuts, washers, cotter keys, hydraulic and motor oil used in the repair and maintenance of the combine and tractor would qualify as farm machinery and equipment repair and replacement parts, and therefore would come within the scope of the sales tax exemption in K.S.A. 79-3606(t), if the combine and tactor is used in farming and ranching.

The purchase of the welding rods, oxygen and acetelyn would not be exempt from Kansas sales tax, pursuant to K.S.A. 79-3606(t), since these items are in the nature of repair equipment and not farm machinery and equipment.

For your convenience, I have enclosed a question and answer format, wherein the subject matter is farm machinery and equipment.

If I may be of further assistance, please contact me at your earliest convenience at (785) 296-7776.

Sincerely yours,

Thomas P. Browne, Jr.
Tax Specialist

TPB

Enc

**Date Composed: 09/02/1998 Date Modified: 10/10/2001**