

Notice

Notice Number: Gold, Silver, and Precious Metals
Tax Type: Kansas Retailers' Sales Tax
Brief Description: Sales of Gold, Silver and Precious Metals
Keywords:
Effective Date: 04/01/1987

Body:

REVENUE NOTICE

TO: Banks, Savings and Loans, and other Similar Institutions

FROM: Kansas Department of Revenue, Sales & Excise Tax Bureau

SUBJECT: Sales of Gold, Silver, Precious Metals Coins and Other Similar Items

DATE: April 1, 1987

Advice has been requested as to whether sales of gold, silver, precious metal coins and other similar property by banks, savings and loans, and other similar institutions are subject to Kansas sales tax. The department has determined that such sales are properly subject to the Kansas sales tax.

K.S.A. 79-3603(a) imposes Kansas tax upon the gross receipts received from the sale of tangible personal property at retail within this state. Items such as Canadian Maple Leafs, American Eagles, South African Krugerrands, gold and silver bullion, etc. when sold to the ultimate user or consumer are properly subject to Kansas sales tax. This listing should not be considered a complete or exclusive list, but is merely illustrative of items which, when sold to the final user or consumer, are subject to Kansas sales tax.

The principal line of business of the seller is not determinative of whether sales tax is due. Pawn shops, coin dealers, banks, savings and loans, and other organizations or businesses which are selling these types of items to the final user or consumer are retailers under the Sales Tax Act, and must register with the Department of Revenue. In turn, Kansas sales tax is to be imposed on the total selling price of these types of items.

It has come to the department's attention that some financial institutions may not be registered and collecting Kansas sales tax on sales of gold, silver, precious metal coins and other similar items. Please be advised that selling such items without collecting and remitting Kansas sales tax is a violation of Kansas law. Therefore, if your institution is not registered, collecting and remitting Kansas sales tax on transactions as outlined herein, you must register as a Kansas retailer. Registration applications may be obtained and inquiries directed to:

Applications Information

Kansas Department of Revenue Kansas Department of Revenue
Registration Section, 5th Floor Sales & Excise Tax Bureau, 3rd Floor
Robert B. Docking State Office Building Robert B. Docking State Office Building
Topeka, Kansas 66625-0001 Topeka, Kansas 66625-0001
(913) 296-3169 (913) 296-2461

Date Composed: 10/06/1997 Date Modified: 10/10/2001

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