

KANSAS

SALES AND USE TAX REFUND APPLICATION FOR USE BY PEC ENTITIES

PART A – PEC ENTITY INFORMATION

Note: A "PEC Entity" is an entity such as a political subdivision, school, church, or zoo that qualifies for exemption under K.S.A. 79-3606(d), (e), (xx), (aaa), or (ccc).

*Name	*Employer Identification Number or Social Security Number _____
*Address	*Exempt Entity Number KS _____
*City, State, Zip Code	<i>(To secure a refund you must provide the exempt entity exemption number that was issued to you by the department. If you do not have one, you must apply to the department and secure a number before your refund request can be processed.)</i>
*Contact Person	Telephone Number
E-Mail Address	Fax Number

* Denotes required fields for completion

1. Check the appropriate PEC exemption:

- | | |
|---|---|
| <input type="checkbox"/> Hospital, School, Political Subdivision Project, K.S.A. 79-3606(d) | <input type="checkbox"/> U.S. Government Project, K.S.A. 79-3606(e) |
| <input type="checkbox"/> Nonprofit Zoo, K.S.A. 79-3606(xx) | <input type="checkbox"/> Religious Organizations, K.S.A. 79-3606(aaa) |
| <input type="checkbox"/> Primary Care Clinic or Health Center, K.S.A. 79-3606(ccc) | <input type="checkbox"/> Other (Please explain) _____ |

PART B – DESCRIPTION OF PROJECT

2. Project Location: _____
Street and City
3. Nature of Project: _____
(Roof repair, bathroom remodel, building addition, etc.)
4. Name of General Contractor: _____
5. Approximate Begin and End Dates of the Project: _____
6. Approximate Project Cost to the PEC Entity: \$ _____
7. Did the Kansas Department of Revenue issue a Project Exemption Certificate that covered part of the project?
 No Yes If yes, please state the project exemption number on the certificate: _____

PART C – AFFIDAVIT OF OFFICER OR OFFICIAL SUBMITTING THIS REFUND APPLICATION

AFFIDAVIT

I certify under penalties of perjury that, to the best of my knowledge, all of the information and statements made in this Refund Application are true and correct.

_____ Affiant's Signature _____ Date

STATE OF KANSAS)
COUNTY OF _____) SS:

This PEC Refund Application was acknowledged before me on _____, 20____ by

_____ as _____
Name of Affiant Official Capacity (officer, superintendent, business manager, etc.)

Notary Public: _____

My appointment expires: _____

CONTRACTOR AFFIDAVIT

DIRECTIVE TO CONTRACTORS THAT RECEIVE THIS AFFIDAVIT: The PEC (Project Exemption Certificate) Entity identified in Part I failed to secure a timely PEC for the listed construction project. It is attempting to secure a refund of the Kansas sales or use taxes that you paid or accrued on project materials, supplies, and labor services. While Kansas sales tax law does not require you to assist the PEC Entity in securing this refund, you may choose to do so by completing this affidavit and returning it, along with the required supporting documentation, to the PEC Entity identified in Part I.

PART I – To be completed by the PEC Entity

1. PEC's Name and Address: _____

2. Nature of Project: _____
(Roof repair, bathroom remodel, building addition, etc.)
3. Project Location: _____
Street and City
4. Name of General Contractor on the Project: _____
5. Project's begin and end dates: _____

PART II – To be completed by the General Contractor and Subcontractors

6. Your Business Name and Address: _____

7. Did you receive a copy of: 1) Instructions for a PEC Entity refund; and 2) Schedule of Purchase Invoices, along with this Contractor Affidavit? Yes No If no, please so indicate and return this form to the PEC Entity.
8. Do you wish to assist the PEC Entity in securing a refund of Kansas sales taxes that were paid because the PEC Entity did not secure a timely project exemption certificate? Yes No If no, please so indicate and return this form to the PEC Entity.
9. Approximate dates that you worked on the Project identified in PART I: _____
10. Approximate payment you received for your work on the Project: \$ _____
11. Your sales tax registration number (if you have one): _____

PART III – Amount of Kansas Sales Tax You Paid or Accrued

- 12a. If you paid Kansas sales tax to your suppliers on materials and supplies used on the project, list your purchase invoices on List of Purchase Invoices and attach copies of those invoices to the list. Please state the total amount of Kansas tax that you paid on materials and supplies used on the Project: \$ _____ .
- 12b. If you file sales tax returns and remitted sales tax to the Kansas Department of Revenue on services performed on the project, please state the total amount of Kansas tax that you remitted on those services: \$ _____ . Please state the dates of the returns on which the tax was reported: _____ .
- 12c. If you file sales tax returns and report Kansas sales tax as a contractor-retailer and remitted sales tax to the Department of Revenue on items taken from inventory for use on the project, please state the total amount of Kansas tax that you accrued: \$ _____ . Please state the dates of the returns on which the tax was reported: _____ .

HOW TO SUBMIT A PEC ENTITY REFUND APPLICATION

GENERAL INSTRUCTIONS

This Refund Application is for use by a PEC Entity that is entitled to secure a project exemption certificate but failed to do so in a timely manner. A "PEC Entity" is an entity, such as a political subdivision, school, church, or zoo, that qualifies for exemption under K.S.A. 2005 Supp. 79-3606(d), (e), (xx), (aaa), or (ccc).

K.A.R. 92-19-66e(n) provides that a PEC Entity that fails to secure a timely PEC for a construction project may seek a refund of the Kansas sales tax that was paid or remitted by the Project's general contractor and subcontractors (collectively "contractors" hereafter) on their materials, supplies, and labor charges for the project in question. To establish the refund amount, the PEC Entity must file a completed Refund Application, along with the supporting documentation that it secured from its contractors, with the Department of Revenue. The Refund Application must be filed within one year of the date that the tax was paid or remitted by the contractors on the project.

WHERE TO FILE: The PEC Entity should send the completed Refund Application, Contractor Affidavits, and any additional supporting documentation to:

Kansas Department of Revenue
Customer Relations/Sales Tax Refunds
915 SW Harrison Street
Topeka KS 66625-2007

STEPS THAT A PEC ENTITY MUST TAKE: The PEC Entity must complete the Refund Application and Part A the Contractor Affidavit. The PEC Entity must contact the contractors that worked on the project and provide them with a copy of the Contractor Affidavit with Part A completed, a copy of these instructions, and a blank copy of the Schedule of Purchase Invoices. The PEC Entity's completion of Part A of the Affidavit will identify the project in question for the contractor.



NOTE: *Kansas law does not require contractors to assist a PEC Entity in documenting the Entity's sales tax refund claim. If a contractor cannot provide or refuses to provide the required documentation, the department cannot refund the taxes that were paid or accrued by that contractor.*

The PEC Entity must secure a completed Contractor Affidavit from each participating contractor along with copies of any supporting invoices and other documents. Once the PEC Entity has compiled all of this material, it must be mailed to the department at the address provided above. The department will return the material it receives from a PEC Entity if the Refund Application or a Contractor Affidavit is incomplete or if the affiant's signature on the Application or Affidavit has not been notarized.

STEPS THAT A PARTICIPATING CONTRACTOR MUST TAKE: Each contractor should receive a Contractor Affidavit with Part A completed, a copy of these instructions, and a

blank copy of the Schedule of Purchase Invoices. A contractor that chooses to assist the PEC Entity in securing a refund should complete Parts II through IV of the Contractor Affidavit and the Schedule of Purchase Invoices, if necessary. The contractor must provide a copy of each invoice listed on the Schedule. The contractor should return the completed Contractor Affidavit and supporting materials to the PEC Entity — not to the department.

INSTRUCTIONS FOR COMPLETING LINES 12a THROUGH 12c: How a contractor completes Lines 12a through 12c in Part III will depend on whether the business accounts for sales tax as a contractor or as a contractor-retailer. (*See EDU-26, Sales Tax Guidelines for Contractor and Contractor-Retailers.*)

Businesses that account for sales tax as a contractor: A participating contractor should fill out the Schedule of Purchase Invoices and state the total amount of sales taxes paid on the Line 12a. If a contractor filed sales tax returns and reported tax on the labor services performed on the project, it should state that amount on Line 12b and indicate the date of the returns when the tax was reported.

Contractor-retailers: A participating contractor-retailer should complete Line 12c by stating the amount of Kansas sales tax that it reported to the department on its sales tax returns as material and supplies taken from inventory and used on the project. (*See ST-16 return, Part I, Line 2; ST-36 return, Part III, Column 3.*) The contractor-retailer should indicate the date of the returns when the tax was reported. Contractor-retailers that reported sales tax on labor services performed on the project should complete Line 12b of the Contractor Affidavit by entering the amount of taxes paid to the department on labor services. If a contractor-retailer paid sales tax to retailers for some of the materials and supplies used on the project, the contractor-retailer should list the invoices on the Schedule of Purchase Invoices and state the total amount of sales taxes that was paid on the Line 12a.

As stated above, contractors and contractor-retailers that complete Line 12a of PART III must copy all of the purchase invoices that are listed in the Schedule of Purchase Invoices and provide the copies to the PEC Entity, along with the Schedule and completed Contractor Affidavit. The Affiant's signature on the Contractor Affidavit **MUST** be notarized.

TAXPAYER ASSISTANCE

For assistance in completing the documents discussed here, contact the Kansas Department of Revenue.

Taxpayer Assistance Center
Docking State Office Building, 1st Floor
915 SW Harrison St., Topeka, KS 66625-2007

Phone: (785) 368-8222
Hearing Impaired TTY: (785) 296-6461
Fax: (785) 291-3614