

TAVERNS / BARS

Purchases by Taverns / Bars:

The taxability of purchases of tangible personal property and labor services by the Tavern / Bar industry is summarized below. Sales tax should be paid to the vendor or accrued and paid directly to the State of Kansas. A properly completed exemption certificate should be provided to your vendor for all purchases made without tax.

Booths and all other furniture and fixtures including but not limited to: desks, lamps, tables and chairs, carpet, and curtains	Taxable
Appliances and kitchen equipment including but not limited to: air -conditioners, microwaves, televisions, water heaters, ovens, stoves, refrigerators and freezers, coffee makers, mixers, sinks and dishwashers, pots, pans, mixing bowls, exhaust hoods, food processors, blenders, ice machines, etc	Taxable
Menus, ashtrays, candles, candleholders, condiment dispensers	Taxable
Cloth tablecloths, cloth napkins, uniforms, pictures, plants, decorations	Taxable
Office equipment and supplies including but not limited to: computers, fax machines, writing utensils, paint, signs and office forms	Taxable
Restroom and janitorial supplies, mops, brooms	Taxable
Dishes, glassware, barware, silverware, cookware and napkin dispensers	Taxable
Cash registers, register tapes, customer tickets	Taxable
Complimentary items such as toothpicks, balloons, matches, candy, peanuts, popcorn, activity materials for children, etc., not associated with the sale of food.	Taxable
Items used by the tavern or bar such as wax paper, stretch wrap, foil, paper towels, dish soap, cleaning materials, garbage bags, etc.	Taxable
Purchase or Lease of real estate, Insurance	Exempt
Repair and remodeling labor services to existing real estate	Taxable
Labor services on original construction of new building or facility	Exempt
Labor services of repairing, servicing, altering or maintaining tangible personal property, such as computers, printers, copiers, stoves, ovens, refrigerators, security equipment, etc.	Taxable
Warranty or service agreements for tangible personal property such as, computers, printers, copiers, stoves, ovens, security equipment, etc.	Taxable
Utilities (electricity, gas, water, heat) used for lighting, air conditioning, heating, cleaning, etc.	Taxable
Utilities (electricity, gas) used for cooking; water served to customers as water, coffee, tea, soup, etc.	Exempt
Food and drink items purchased to be resold to the customer including condiments such as salt, pepper and mustard	Exempt
Disposable items provided to the customer including but not limited to: plastic dinnerware and table service, drinking straws, paper napkins, paper or plastic bags and takeout boxes	Exempt
Food served without charge to employees of the tavern or bar whose duties are related to the furnishing of meals to the public	Exempt
Trash service	Exempt
Cleaning services	Exempt
Professional services such as accounting or legal services	Exempt

Sales by Taverns / Bars:

The taxability of sales of tangible personal property and labor services by the Tavern / Bar industry is summarized below. The applicable sales tax must be collected unless the purchaser provides a proper exemption certificate.

Sales of food or drinks, including food or drinks sold to employees at full or reduced price	Taxable
Admission or cover charges	Taxable
Gross receipts on sales from machines owned by the tavern or bar such as, but not limited to: Jukeboxes, pool tables, karaoke machines, video games, vending machines, etc	Taxable
Commissions received on sales from machines not owned by the tavern or bar, (owned by another party), such as but not limited to: Jukeboxes, pool tables, karaoke machines, video games, vending machines, etc.	Exempt
Sales of items such as, but not limited to: T-shirts, mugs, shot glasses, etc	Taxable
Mandatory gratuity (tip) charges	Taxable
Tips that are freely given by customers	Exempt
Gift Certificates	Exempt
Food given away with a third party coupon	Taxable
Food given away with the tavern or bar's own coupon	Exempt
Food sold to another tavern or bar for resale	Exempt
Charges for party room rental	Exempt
Sales of Alcoholic beverages that are subject to the 10% Drink Tax	Exempt
Sales of 3.2 Beer	Taxable

Sales to the federal government, state or political subdivisions, churches or other exempt entities if paid **directly** by funds belonging to the exempt entity. In order to qualify for the exemption, the tavern or bar must maintain a copy of the bill to the exempt entity and proof that payment was made by the exempt entity (copy of voucher, check or credit card)

Exempt

Sales of Alcoholic Beverages by Taverns and/or Bars:

Retail Liquor Drink Tax Must be paid on the sales of any beverages containing alcohol except 3.2 beer.

Subject to Liquor Drink Tax at
10% of the total charge for
drinks

Sales of all beverages containing alcohol other than 3.2 beer.
