

3. **NONMANUFACTURING**

Type of nonmanufacturing business:

- Commercial enterprise other than a manufacturing business or a retail business
- Business headquarters
- Ancillary support (Please attach statement from Department of Commerce)
- Enterprise designated under SIC code 5961 (Catalog & Mail Order Houses)
- Enterprise designated under SIC code 7372 (Prepackaged Software)

Does your business make retail sales? Yes (Provide Kansas retailers' sales tax number) _____ No

Is your business primarily engaged (more than 50%) in the service of installing or applying tangible personal property in connection with the original construction of a building or facility; the original construction, reconstruction, restoration, remodeling, renovation, repair or replacement of a residence; or the construction, reconstruction, restoration, replacement or repair of a bridge or highway? Yes No

Will the expansion of the nonmanufacturing business, (commercial enterprise other than a manufacturing business or a retail business) involve the hiring and addition of at least five employees to your total Kansas employment? Yes No

Will the expansion of the nonmanufacturing business, (business headquarters, ancillary support, enterprise designated under SIC code 5961 or 7372) involve the hiring and addition of at least twenty new full time positions to your total Kansas employment? Yes No

4. **RETAIL**

Will the expansion of the retail business involve the hiring and addition of at least two employees to your total Kansas employment and be located or expanded in a city with a population of 2,500 or less?

Yes No

5. **LESSOR/LESSEE**

Will the facility (construction, expansion, or renovation) be leased for a period of five years or more?

Yes (Please enclose a copy of the lease.) No

Would the lessee qualify for the sales tax exemption if the lessee requested the exemption directly with the department?

Yes (If yes, provide the lessee's classification below.) No

Lessee's classification:

- Certified HPIP Business: Certified by the Department of Commerce;
- Manufacturing: SIC _____ with hiring of two (2) additional employees;
- Nonmanufacturing: Commercial enterprise other than a manufacturing business or a retail business. Describe business _____ and business will hire five additional employees;
- Business headquarters, ancillary support, SIC 5961 or SIC 7372 with hiring of at least 20 additional full time employees;
- Retail: Hiring and addition of at least two employees and will be located or expanded in a city with a population of 2,500 or less?

(H) Is this project a result of working with officials of the state, county, or city government? Yes No

If yes, provide the name of the agency and contact: _____

What will be the average annual wage for new (non-managerial) employees? _____

(I) List the name(s) and address(es) of the general contractor(s): _____

(J) Estimated project costs: Total _____ Construction costs: _____

Machinery and equipment costs: _____

(K) Contract date: _____ (L) Contract No.: _____

(M) Estimated completion date (not to exceed two years): _____

Taxpayer (please type or print)

Name of Authorized Representative (please type or print)

Signature of Authorized Representative

Title

Phone Number

INSTRUCTIONS

An exemption from sales tax is allowed on all sales of tangible personal property or services purchased for the construction, enlarging or remodeling of a business or retail business. The sale and installation of machinery and equipment purchased for the installation at the business or retail business shall also be exempt from sales tax.

Line (A) Enter the name of the entity that will operate the business facility and claim the sales tax exemption and associated income tax credit, and check the appropriate box identifying the business type.

Line (B)(1) Enter the doing business as (DBA) name of the business, if it is different than line (A), above, and check the appropriate box identifying the business type.

Line (B)(2) Enter the location, including the county of the business facility where the investment is going to be made.

Line (B)(3) Enter the complete mailing address of the taxpayer who will own and/or operate the above referenced business facility.

Line (C) A manufacturing business located within the state of Kansas that has documented evidence of job expansion involving the employment of at least two additional full time employees which relocates in another city or county within the state of Kansas must receive approval from the Secretary of Commerce prior to qualifying for the sales tax exemption (K.S.A. 74-50,115(a)(2)). Approval by the Secretary of Commerce is not required if the manufacturing business relocates within the same city.

A nonmanufacturing business located within the state of Kansas that has documented evidence of job expansion involving the employment of at least five additional full time employees which relocates in another city or county within the state of Kansas must receive approval from the Secretary of Commerce prior to qualifying for the sales tax exemption (K.S.A. 74-50,115(b)(2)). Approval by the Secretary of Commerce shall not be required if the nonmanufacturing business relocates within the same city.

Line (D) Check the applicable box(es) that describe the project and attach required documentation.

Line (E) Purchases of materials, machinery, equipment, and services must be directly related to increased employment to qualify for exemption from retailers' sales tax. Therefore, you are required to describe each purchase you are contemplating and demonstrate how the purchase relates directly to increased employment at the facility.

Line (F) Describe specifically the type of business activity to be conducted by the taxpayer at the business facility.

Line (G) Indicate the type of business activity to be conducted at the business facility by the named taxpayer, and answer the corresponding questions. It should be noted that only **ONE** of the boxes under Line (G) should be checked in regards to the type of business activity conducted at the facility.

Line (G)(1) Certified business means a firm which is qualified by the Secretary of Commerce as meeting the eligibility criteria for the High Performance Incentive Program (HPIP) pursuant to K.S.A. 2003 Supp. 74-50,131. The firm must be entitled to the corporate tax credit established in K.S.A. 74-50,132 or must have received written approval for participation and has participated, during the tax year in which the exemption is claimed, in training assistance by the Department of Commerce under the Kansas industrial training (KIT), Kansas industrial retraining (KIR) or state of Kansas investments in lifelong learning program (SKILL).

Line (G)(2) Manufacturing business means all commercial enterprises identified under the manufacturing standard industrial classification codes (SIC), major groups 20 through 39.

Line (G)(3) Nonmanufacturing business means any commercial enterprise other than a manufacturing business or a retail business. Nonmanufacturing business shall also include the business headquarters of an enterprise, ancillary support of an enterprise and an enterprise designated under standard industrial classification (SIC) codes 5961 or 7372 regardless of the firm's classification as a retail business if that facility for which the sales tax exemption certificate is issued facilitates the creation of at least 20 new full time positions.

Business headquarters means a facility where principal officers of the business are housed and from which direction, management, or administrative support for transactions is provided for business or division of a business.

Ancillary support means a facility which is operated by a business and whose function is to provide services in support of the business, but is not directly engaged in the business' primary function. Attach the statement from the Department of Commerce.

Original construction means the first or initial construction of a new building or facility and includes the addition of an entire room or floor to any existing building or facility, the completion of any unfinished portion of any existing building or facility and the restoration, reconstruction or replacement of a building or facility damaged or destroyed by fire, flood, tornado, lightning, explosion or earthquake. Residence means only those enclosures within which individuals customarily live.

Line (G)(4) Retail business means (a) Any commercial enterprise primarily engaged in the sale at retail of goods or services taxable under the Kansas retailers' sales tax act; (b) any service provider set forth in K.S.A. 17-2707, and amendments thereto (licensed professional); (c) any bank, savings and loan, or other lending institution; (d) any commercial enterprise whose primary business activity includes the sale of insurance, and (e) any commercial enterprise whose primary business activity includes the sale of services such as, but not limited to, barber shops, beauty shops, photographic studios, and funeral services.

Line (G)(5) Lessor means any person constructing, reconstructing, remodeling, or enlarging a facility which will be leased for a period of five years or more to a business that would be eligible for a sales tax exemption if the business had constructed, reconstructed, enlarged, or remodeled the facility itself. Please attach a copy of the 5 year lease agreement.

As the lessor, you must determine whether the lessee qualifies for the sales tax exemption as a manufacturing, nonmanufacturing, retail or certified business. If the lessee does not qualify, a project exemption certificate cannot be issued.

If there are multiple lessees, each must qualify for the sales tax exemption and a lease agreement must be submitted for each.

Line (H) Check the applicable box and list the name of the organization and/or person you were contacted by and the average wage of the new (non-managerial) employees.

Line (I) List the name and address of the general contractor if available. If a general contractor does not exist for this project, please attach a list of all the contractors/subcontractors (if available) involved in performing labor services or supplying materials for the project. Include in this list, the estimated project costs, contract date, contract number, and the estimated completion date for each contract.

Line (J) Enter the estimated cost of the project.

Line (K) Enter the date of the contract.

Line (L) Enter the applicable contract number if available.

Line (M) Enter the estimated completion date for this project. The Department requests that this period not extend beyond two years from the application date.

Signature The name of the taxpayer as well as the authorized representative requesting the exemption should be typed or printed in the area provided. The authorized representative must also sign the request and provide a phone number where they can be reached during business hours.

MANUFACTURING

FOOD AND KINDRED PRODUCTS

- 201 Meat Products
- 202 Dairy Products
- 203 Canned, Frozen, and Preserved Fruits, Vegetables, and Food Specialties
- 204 Grain Mill Products
- 205 Bakery Products
- 206 Sugar and Confectionery Products
- 207 Fats and Oils
- 208 Beverages
- 209 Miscellaneous Food Preparations and Kindred Products

TOBACCO PRODUCTS

- 211 Cigarettes
- 212 Cigars
- 213 Chewing and Smoking Tobacco and Snuff
- 214 Tobacco Stemming and Redrying

TEXTILE MILL PRODUCTS

- 221 Broadwoven Fabric Mills, Cotton
- 222 Broadwoven Fabric Mills, Manmade Fiber and Silk
- 223 Broadwoven Fabric Mills, Wool (Including Dyeing and Finishing)
- 224 Narrow Fabric and Other Smallwares Mills: Cotton, Wool, Silk, and Manmade Fiber
- 225 Knitting Mills
- 226 Dyeing and Finishing Textiles, except Wool, Fabrics and Knit Goods
- 227 Carpets and Rugs
- 228 Yarn and Thread Mills
- 229 Miscellaneous Textile Goods

APPAREL AND OTHER FINISHED

PRODUCTS MADE FROM FABRICS AND SIMILAR MATERIALS

- 231 Men's and Boys' Suits, Coats, and Overcoats
- 232 Men's and Boys' Furnishings, Work Clothing, and Allied Garments
- 233 Women's, Misses', and Juniors' Outerwear
- 234 Women's, Misses', Children's, and Infants' Undergarments
- 235 Hats, Caps, and Millinery
- 236 Girls', Children's, and Infants' Outerwear
- 237 Fur Goods
- 238 Miscellaneous Apparel and Accessories
- 239 Miscellaneous Fabricated Textile Products

LUMBER AND WOOD PRODUCTS, EXCEPT FURNITURE

- 241 Logging
- 242 Sawmills and Planing Mills
- 243 Millwork, Veneer, Plywood, and Structural Wood Members
- 244 Wood Containers
- 245 Wood Buildings and Mobile Homes
- 249 Miscellaneous Wood Products

FURNITURE AND FIXTURES

- 251 Household Furniture
- 252 Office Furniture
- 253 Public Building and Related Furniture
- 254 Partitions, Shelving, Lockers, and Office and Store Fixtures
- 259 Miscellaneous Furniture and Fixtures

PAPER AND ALLIED PRODUCTS

- 261 Pulp Mills
- 262 Paper Mills
- 263 Paperboard Mills
- 265 Paperboard Containers and Boxes
- 267 Converted Paper and Paperboard Products, Except Containers and Boxes

PRINTING, PUBLISHING, AND ALLIED INDUSTRIES

- 271 Newspapers: Publishing, or Publishing and Printing
- 272 Periodicals: Publishing, or Publishing and Printing
- 273 Books

- 274 Miscellaneous Publishing
- 275 Commercial Printing
- 276 Manifold Business Forms
- 277 Greeting Cards
- 278 Blankbooks, Loose-leaf Binders, and Bookbinding and Related Work
- 279 Service Industries for the Printing Trade

CHEMICALS AND ALLIED PRODUCTS

- 281 Industrial Inorganic Chemicals
- 282 Plastics Materials and Synthetic Resins, Synthetic Rubber, Cellulosic and Other Manmade Fibers, Except Glass
- 283 Drugs
- 284 Soap, Detergents, and Cleaning Preparations; Perfumes, Cosmetics and Other Toilet Preparations
- 285 Paints, Varnishes, Lacquers, Enamels, and Allied Products
- 286 Industrial Organic Chemicals
- 287 Agricultural Chemicals
- 289 Miscellaneous Chemical Products

PETROLEUM REFINING AND RELATED INDUSTRIES

- 291 Petroleum Refining
- 295 Asphalt Paving and Roofing Materials
- 299 Miscellaneous Products of Petroleum and Coal

RUBBER AND MISCELLANEOUS PLASTICS PRODUCTS

- 301 Tires and Inner Tubes
- 302 Rubber and Plastic Footwear
- 305 Gaskets, Packing, and Sealing Devices and Rubber and Plastics Hose and Belting
- 306 Fabricated Rubber Products, Not Elsewhere Classified
- 308 Miscellaneous Plastics Products
- 311 Leather Tanning and Finishing
- 313 Boot and Shoe Cut Stock and Findings
- 314 Footwear, Except Rubber
- 315 Leather Gloves and Mittens
- 316 Luggage
- 317 Handbags and Other Personal Leather Goods
- 319 Leather Goods, Not Elsewhere Classified

STONE, CLAY, GLASS, AND CONCRETE PRODUCTS

- 321 Flat Glass
- 322 Glass and Glassware, Pressed or Blown
- 323 Glass Products, Made of Purchased Glass
- 324 Cement, Hydraulic
- 325 Structural Clay Products
- 326 Pottery and Related Products
- 327 Concrete, Gypsum, and Plaster Products
- 328 Cut Stone and Stone Products
- 329 Abrasive, Asbestos, and Miscellaneous Nonmetallic Mineral Products

PRIMARY METAL INDUSTRIES

- 331 Steel Works, Blast Furnaces, and Rolling and Finishing Mills
- 332 Iron and Steel Foundries
- 333 Primary Smelting and Refining of Nonferrous Metals
- 334 Secondary Smelting and Refining of Nonferrous Metals
- 335 Rolling, Drawing, and Extruding of Nonferrous Metals
- 336 Nonferrous Foundries (Castings)
- 339 Miscellaneous Primary Metal Products

FABRICATED METAL PRODUCTS, EXCEPT MACHINERY AND

TRANSPORTATION EQUIPMENT

- 341 Metal Cans and Shipping Containers
- 342 Cutlery, Handtools and General Hardware
- 343 Heating Equipment, except Electric and Warm Air; and Plumbing Fixtures
- 344 Fabricated Structural Metal Products

- 345 Screw Machine Products, and Bolts, Nuts, Screws, Rivets, and Washers
- 346 Metal Forgings and Stampings
- 347 Coating, Engraving, and Allied Services
- 348 Ordnance and Accessories, Except Vehicles and Guided Missiles
- 349 Miscellaneous Fabricated Metal Products

INDUSTRIAL AND COMMERCIAL MACHINERY AND COMPUTER EQUIPMENT

- 351 Engines and Turbines
- 352 Farm and Garden Machinery and Equipment
- 353 Construction, Mining, and Materials Handling Machinery and Equipment
- 354 Metalworking Machinery and Equipment
- 355 Special Industry Machinery, Except Metalworking Machinery
- 356 General Industrial Machinery and Equipment
- 357 Computer and Office Equipment
- 358 Refrigeration and Service Industry Machinery
- 359 Miscellaneous Industrial and Commercial Machinery and Equipment

ELECTRONIC AND OTHER ELECTRICAL EQUIPMENT AND COMPONENTS, EXCEPT COMPUTER EQUIPMENT

- 361 Electric Transmission and Distribution Equipment
- 362 Electrical Industrial Apparatus
- 363 Household Appliances
- 364 Electric Lighting and Wiring Equipment
- 365 Household Audio and Video Equipment, and Audio Recordings
- 366 Communications Equipment
- 367 Electronic Components and Accessories
- 369 Miscellaneous Electrical Machinery, Equipment, and Supplies

TRANSPORTATION EQUIPMENT

- 371 Motor Vehicles and Motor Vehicle Equipment
- 372 Aircraft and Parts
- 373 Ship and Boat Building and Repairing
- 374 Railroad Equipment
- 375 Motorcycles, Bicycles, and Parts
- 376 Guided Missiles and Space Vehicles and Parts
- 379 Miscellaneous Transportation Equipment

MEASURING, ANALYZING, AND CONTROLLING INSTRUMENTS; PHOTOGRAPHIC, MEDICAL AND OPTICAL GOODS; WATCHES AND CLOCKS

- 381 Search, Detection, Navigation, Guidance, Aeronautical, and Nautical Systems, Instruments, and Equipment
- 382 Laboratory Apparatus and Analytical, Optical, Measuring, and Controlling Instruments
- 384 Surgical, Medical, and Dental Instruments and Supplies
- 385 Ophthalmic Goods
- 386 Photographic Equipment and Supplies
- 387 Watches, Clocks, Clockwork Operated Devices, and Parts

MISCELLANEOUS MANUFACTURING INDUSTRIES

- 391 Jewelry, Silverware, and Plated Ware
- 393 Musical Instruments
- 394 Dolls, Toys, Games and Sporting and Athletic Goods
- 395 Pens, Pencils, and Other Artists' Materials
- 396 Costume Jewelry, Costume Novelties, Buttons, and Miscellaneous Notions, Except Precious Metal
- 399 Miscellaneous Manufacturing Industries