

Bourbon County Agenda Request

Proposed for the following agenda to be held on: 1-17-2023

Date: 1-13-2023

Contact Name: Lora Holdridge

Department or Citizen requesting: Register of Deeds

Agenda Topic:

Survey Review Cost of fee + letter from Survey Company

Action Requested:

Opt out of review process completely or have Survey Company go to reviewer themselves, allow more than one reviewer

Budget Impact: (if applicable) \$ none

Agreements/Contracts reviewed by County Counsel & Attached:

Yes or No

Reviewed by Finance Director:

[Signature]

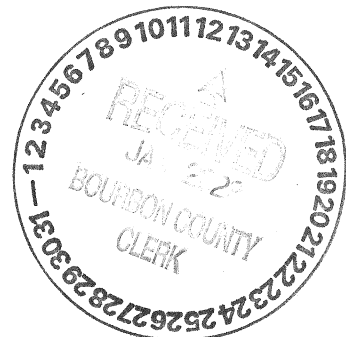
Date:

1/13/23

Departments affected notified:

6 Yes or No

Date to County Clerk: _____



Bourbon County Agenda Request

Proposed for the following agenda to be held on: 1/17/23

Date: 1/13/23

Contact Name: Susan Bancroft

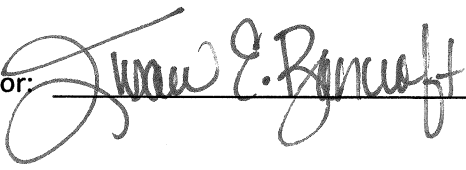
Department or Citizen requesting: Finance

Agenda Topic: Food Sales Tax Reduction

Action Requested: Informative

Budget Impact: (if applicable) \$ _____

Agreements/Contracts reviewed by County Counsel & Attached: Yes or No

Reviewed by Finance Director:  Date: 1/13/23

Departments affected notified: Yes or No

Date to County Clerk: 1/13/23

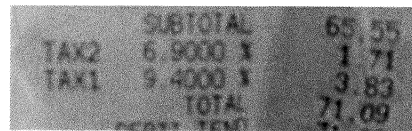
State of Kansas Food Sales Tax Reduction effective 01/01/23

Some of you may have noticed that your receipts from businesses who sale food products for human consumption are being taxed differently in 2023 than they were in 2022. Below is a quick overview of the changes.

Effective January 1, 2023, the Kansas state portion of sales tax on food and food ingredients for human consumption, and certain prepared food, will be reduced, in phases, to 0%. Starting on January 1, 2023, the state sales tax rate will be reduced from 6.5% to 4%. Starting on January 1, 2024, the state rate will be reduced from 4% to 2%. And, starting on January 1, 2025, the state rate will be reduced from 2% to 0%.

Date of Change	State Rate	City Rate	County Rate	A	B	C	D
				Food Total Rate inside city limits	Food Total Rate outside city limits	Non-Food Total Rate Inside City Limits	Non-Food Total Rate Outside the City Limits
1/1/2022	6.50%	1.50%	1.40%	9.40%	7.90%	9.40%	7.90%
1/1/2023	4.00%	1.50%	1.40%	6.90%	5.40%	9.40%	7.90%
1/1/2024	2.00%	1.50%	1.40%	4.90%	3.40%	9.40%	7.90%
1/1/2025	0.00%	1.50%	1.40%	2.90%	1.40%	9.40%	7.90%

Example of a purchase made at Wal-Mart after 1/1/23
Wal-Mart is located inside the city limits of Fort Scott.



- Tax 1: items on the receipt **do not** qualify under the new law as food or food ingredients so there is a tax rate of 9.4% (Column C).
- Tax 2: items on the receipt **do** qualify under the new law so there is a tax rate of 6.9% (Column A).

As you can see, this does not affect local sales tax rates or state non-food sales tax, only state sales tax rates on food. Each year hereafter, the state will reduce the percentages by 2% to the state sales tax on food sales tax.

More information can be found in Publication KS-1223 from the Kansas Department of Revenue which gives general guidance on items that are covered by the reduced state food sales tax rate.

[Pub. KS-1223 Food Sales Tax Rate Reduction Rev. 1-23 \(ksrevenue.gov\)](https://ksrevenue.gov)

APPENDIX C - PRODUCT MATRIX

PRODUCT LIST			
Product Description	Reduced State Sales Tax Rate	Full State Sales Tax Rate	Comments
Note: "Utensils provided by the seller" means that it is the seller's business practice to physically give or hand the utensils to the purchaser, or the seller arranges for the eating utensils to specifically accompany or be added to the food items being sold.			
ALCOHOL PRODUCTS			
Alcoholic beverages		X	Non-food; liquor enforcement, liquor drink or full state tax rate applies depending on type of retailer
Beer/Cereal malt beverage (up to 6% by volume)		X	Non-food; full state sales tax rate applies to CMB retailers
Non-alcoholic beer and wine sold by CMB retailers (such as grocery stores, convenience stores and drug stores)	X		Non-alcoholic beer typically contains less than 0.05% alcohol, and the reduced state tax rate applies when sold by CMB retailers. Non-alcoholic beer sold by retail liquor stores is subject to liquor enforcement tax. Non-alcoholic beer sold by clubs or drinking establishments is subject to liquor drink tax. Alcoholic beverages containing 0.05% or more of alcohol will remain subject to the full sales tax rate or liquor enforcement and liquor drink tax rate.
Cooking sherry or cooking wine	X		For liquids used in cooking that exceed the alcohol content of 0.05% the reduced sales tax rate applies
Flavored extracts (i.e. vanilla)	X		For liquids used in cooking that exceed the alcohol content of 0.05% the reduced sales tax rate applies
TOBACCO PRODUCTS			
Tobacco		X	Non-food
Consumable materials (Vaping)		X	
FOOD VENUES			
Takeout food from restaurant		X	Sold in heated state and/or combined ingredients
Food sold at a drive-through		X	Sold in heated state and/or combined ingredients
Delivery food (Restaurant food delivered to consumer by seller or 3rd party)		X	Sold in heated state and/or combined ingredients
Delivery food (Fresh meal ingredient delivery kits) - Separated food items	X		
Take and bake pizza - without utensils	X		Prepared food exception - no utensils and requires additional cooking
Take and bake pizza - with utensils		X	
Catered delivery of hot and cold items		X	Sold in heated state and/or combined ingredients - combined hot and cold items - gross receipts
Food sold at movie theatre - hamburgers, pizza, nachos, popcorn		X	Sold in heated state and/or combined ingredients
Food sold at movie theatre - bottled soda, bottled water, packaged candy, packaged chips	X		
Food sold at movie theatre - fountain soda		X	Combined ingredients
Food sold by concessionaires - hamburgers, hotdogs, nachos, popcorn		X	Sold in heated state and/or combined ingredients
Food sold by concessionaires - bottled soda, bottled water, packaged candy, packaged chips	X		
Food sold by concessionaires - fountain soda		X	Combined ingredients
Convenience store food items - roller grill, burritos, pizza, sandwiches - heated by seller		X	Sold in heated state
Convenience store food items - burritos, pizza, sandwiches made by food manufacturer - heated by purchaser	X		
DRINKS			
Soft drinks in bottle or can	X		
Self-serve fountain drinks - utensil provided		X	Combined ingredients
Self-serve fountain drinks - reusable cup		X	Combined ingredients
Powdered drink mixes - prepared by food manufacturer	X		

APPENDIX C - PRODUCT MATRIX

Product Description	Reduced State Sales Tax Rate	Full State Sales Tax Rate	Comments
DRINKS, continued			
Liquid drink enhancers - prepared by food manufacturer	X		
Coffee or tea - utensils provided		X	Combined ingredients
Coffee or tea - reusable cup		X	Combined ingredients
Coffee or tea drink (bottled)	X		
Tea bags, tea leaves, instant tea - made by food manufacturer	X		
Ground coffee, instant coffee, coffee beans - made by food manufacturer	X		
Smoothie - made by seller		X	Combined ingredients
Smoothie - made by food manufacturer	X		
Single energy drink with or without supplement label	X		
Bottled water (including flavored)	X		
Five gallon bottle of water	X		
Distilled water	X		
BAKERY ITEMS			
Wedding cake, no utensils provided	X		
Wedding cake, utensils provided		X	
Wedding cake provided by caterer - utensils provided		X	
Donuts without utensils	X		Prepared food exception - no utensils - bakery items exception
Donuts with utensils		X	Utensils (includes napkins) provided
Tortillas	X		Prepared food exception - no utensils - bakery items exception
Bread - Food manufacturer	X		Prepared food exception - no utensils - bakery items exception
Bread - Store prepared	X		Prepared food exception - no utensils - bakery items exception
Muffins - Food manufacturer	X		Prepared food exception - no utensils - bakery items exception
Muffins - Store prepared	X		Prepared food exception - no utensils - bakery items exception
Single cookie - Store prepared	X		Prepared food exception - no utensils - bakery items exception
Cake and pie by the slice in a container	X		Prepared food exception - no utensils - bakery items exception
Cake and pie by the slice in a container with utensils - made by manufacturer	X		Utensils are provided by the manufacturer, not seller
Cake and pie by the slice in a container with utensils - made by seller		X	Mixed or combined items and utensils provided
DELI ITEMS			
Chicken meal deal - eight pieces of chicken, salad, roll		X	Sold in heated state and combined ingredients
Hot chicken strips		X	Sold in heated state and combined ingredients
Hot rotisserie chicken		X	Sold in heated state and combined ingredients
Cold chicken ready to eat - prepared by seller - fixed price		X	Previously heated by seller and combined ingredients
Cold chicken ready to eat - prepared by seller - sold by weight or volume - no utensils	X		Prepared food exception - no utensils and sold in unheated state by weight or volume
Deli meats by weight	X		Prepared food exception - no utensils and sold in unheated state by weight or volume
Cold deli salad in container - sold by weight	X		Prepared food exception - no utensils and sold in unheated state by weight or volume
Cold deli salad on plate provided by seller		X	Utensils are provided by the seller
Hot deli salad (soup) in container		X	Sold in heated state and combined ingredients
Cold "meal to go" that needs reheating		X	Combined ingredients

APPENDIX C - PRODUCT MATRIX

Product Description	Reduced State Sales Tax Rate	Full State Sales Tax Rate	Comments
DELI ITEMS, continued			
A sandwich, side salad, and pickle in container - no utensils		X	Combined ingredients
Plate lunch (packaged to go)		X	Combined ingredients
Deli sandwich - made by the seller		X	Combined ingredients
Deli sandwich - made by the food manufacturer	X		
Party trays containing cold products like cheese, sliced meats, fruits or vegetables - made by the seller		X	Combined ingredients
Party trays containing cold products like cheese, sliced meats, fruits or vegetables - made by the food manufacturer	X		
Potato salad - made by the manufacturer	X		
Potato salad - made by the seller - sold by weight or volume (includes variable unit pricing)	X		Prepared food exception - no utensils and sold in unheated state by weight or volume
Potato salad - made by the seller - fixed pricing by container		X	Combined ingredients
GROCERY ITEMS - MEATS			
Kabobs made by the seller	X		Raw animal foods
Pound of shrimp	X		Raw animal foods
Pound of frozen cooked shrimp - made by the food manufacturer	X		
Pound of frozen cooked shrimp - made by the seller	X		Prepared food exception - no utensils and sold in unheated state by weight or volume
Pound of cooked shrimp - made by the seller - sold unheated	X		Prepared food exception - no utensils and sold in unheated state by weight or volume
Pound of cooked shrimp - made by the seller - sold heated		X	Sold in heated state
Sushi - made by the seller		X	Combined ingredients
Lunchable that is cold - made by the manufacturer	X		
Pizza lunchable that has to be heated - made by the manufacturer	X		
Meatloaf or turkey breast (cold but fully cooked) sold by the pound	X		Prepared food exception - no utensils and sold in unheated state by weight or volume
Tuna (lunch to-go)	X		
GROCERY ITEMS - PRODUCE			
Apples	X		
Bananas	X		
Container of cut apples and grapes - made by the food manufacturer	X		
Container of cut apples and grapes - made by seller - sold by weight or volume	X		Prepared food exception - no utensils and sold in unheated state by weight or volume
Container of cut apples and grapes - made by seller - sold at fixed price		X	Combined ingredients
A bag of salad (ready to eat) - made by the food manufacturer	X		
A bag of salad (ready to eat) - prepared by the seller		X	Combined ingredients
Clamshell salad - made by the food manufacturer	X		
Clamshell salad - prepared by the seller		X	Combined ingredients
Value added produce - cleaned, cut single vegetable - prepared by the seller	X		Cut repackaged or pasteurized
Value added produce - cleaned, cut multiple vegetables - prepared by the seller - sold by weight	X		Prepared food exception - no utensils and/or sold in unheated state by weight or volume

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Product Description	Reduced State Sales Tax Rate	Full State Sales Tax Rate	Comments
GROCERY ITEMS - PRODUCE, continued			
Value added produce - cleaned, cut multiple vegetables - prepared by the seller - sold at fixed price		X	Combined ingredients
Value added produce - combined with other food or produce - prepared by the seller - sold by weight or volume	X		Prepared food exception - no utensils and sold in unheated state by weight or volume
Value added produce - combined with other food or produce - prepared by the seller - sold at fixed price		X	Combined ingredients
Twice baked potato - Prepared by the manufacturer	X		
Twice baked potato - Prepared by the seller - sold by weight or volume	X		Prepared food exception - no utensils and sold in unheated state by weight or volume
Twice baked potato - Prepared by the seller - sold at fixed price		X	Combined ingredients
GROCERY ITEMS - MISCELLANEOUS			
Baby food and formula	X		
Breath mints	X		Nutritional or supplemental fact box on label means item is food
Candies and chocolates - made by seller - sold at fixed price		X	
Candies and chocolates - made by food manufacturer	X		
Caramel apples - made by the food manufacturer	X		
Caramel apples - made by the seller		X	Combined ingredients
Chewing gum	X		Nutritional or supplemental fact box on label means item is food
Eggs	X		Raw animal product
Egg substitute	X		
Food coloring	X		
Frozen entree - fully cooked - made by the manufacturer	X		
Frozen entree - fully cooked - made by the seller		X	Combined ingredients
Frozen entree - needs additional cooking - made by the food manufacturer	X		
Frozen entree - needs additional cooking - made by the seller	X		Prepared food exception - no utensils and requires additional cooking
Ice, blocked		X	Non-food
Ice, crushed/cubed	X		
Ice, dry		X	Non-food
Ice cream - made by the food manufacturer	X		
Ice cream - made by the seller - sold by weight or volume - without utensil	X		Sold in unheated state by weight or volume
Ice cream - made by the seller - sold by weight or volume - with utensil		X	Combined ingredients
Ice cream - made by the seller - without utensil		X	Combined ingredients
Ice cream - made by the seller - with utensil		X	Combined ingredients
Non-stick cooking spray	X		
Pet food		X	Non-food
Rock salt		X	Non-food
Seeds - Pumpkin seeds - made by the food manufacturer	X		If packaged for human consumption
Seeds - Sunflower seeds - made by the food manufacturer	X		If packaged for human consumption
Seeds - Vegetable garden seeds		X	Non-food
Shortening, lard, vegetable oil	X		
Single serving can of soup - made by the food manufacturer	X		

APPENDIX C - PRODUCT MATRIX

Product Description	Reduced State Sales Tax Rate	Full State Sales Tax Rate	Comments
GROCERY ITEMS - MISCELLANEOUS, CONTINUED			
Single serving can of soup - heated by seller - with utensil		X	Sold in heated state
Single serving can of soup - heated by seller - without utensil		X	Sold in heated state
Single serving can of soup - heated by purchaser - with utensil		X	Sold with utensil
Single serving can of soup - heated by purchaser - without utensil	X		Sold without utensil
Spices	X		
MEDICATIONS OVER THE COUNTER			
Antacids		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Anti-diarrhea		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Anti-gas		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Anti-smoking patches		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Anti-smoking lozenges		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Breath sprays		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Breath strips		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Cough drops		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Ear drops		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Epson salts		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Laxatives		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Medication for hair loss		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Motion sickness		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Nasal sprays		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Pain/headache		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Sleep aid		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Throat sprays		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Nutritional supplements	X		Nutritional or supplemental fact box on label means item is food. Drug fact box on label means item is not food.
Toothpaste		X	Drug fact box on label means item is not food. Nutritional or supplemental fact box on label means item is food.
Vitamins	X		Nutritional or supplemental fact box on label means item is food. Drug fact box on label means item is not food.
Vitamins for hair loss	X		Nutritional or supplemental fact box on label means item is food. Drug fact box on label means item is not food.