

A motion by Kansas to amend the definition of sales price:

“**Sales price**” applies to the measure subject to sales tax and means the total amount of consideration, including cash, credit, property, and services, for which personal property or services are sold, leased, or rented, valued in money, whether received in money or otherwise, without any deduction for the following:

- A. The seller's cost of the property sold;
- B. The cost of materials used, labor or service cost, interest, losses, all costs of transportation to the seller, all taxes imposed on the seller, and any other expense of the seller;
- C. Charges by the seller for any services necessary to complete the sale, other than delivery and installation charges;
- D. Delivery charges;
- E. Installation charges; and
- F. Credit for any trade-in, as determined by state law.

States may exclude from “sales price” the amounts received for charges included in paragraphs (C) through (F) above, if they are separately stated on the invoice, billing, or similar document given to the purchaser. A state that does not tax “delivery charges” on (1) “direct mail” or (2) printed material that would otherwise be direct mail that results from the performance of a data processing, billing or similar service as part of “sales price” on April 2, 2008 (as evidenced by its taxability matrix or applicable statutes, rules, regulations or other authorities evidencing such position) may not take the position that such “delivery charges” are taxable due to the enactment of the Agreement definitions unless there is a specific expression of legislative intent to do so in its legislation adopting the definition of “sales price” and “delivery charges” as required under the Agreement or after adoption of the Agreement. The expression of intent required by this subsection must be in addition to modifications to existing state law definitions of “sales price” or “delivery charges” required to conform to the Agreement. States may exclude from (C) above, “telecommunications nonrecurring” charges if they are separately stated on the invoice, billing, or similar documents. A state doing so must define “telecommunications nonrecurring charges” as follows:
“**Telecommunications nonrecurring charges**” means an amount billed for the installation, connection, change or initiation of “telecommunications service” received by the customer.

“Sales price” shall not include:

- A. Discounts, including cash, term, or coupons that are not reimbursed by a third party that are allowed by a seller and taken by a purchaser on a sale;
- B. Interest, financing, and carrying charges from credit extended on the sale of personal property or services, if the amount is separately stated on the invoice, bill of sale or similar document given to the purchaser; and
- C. Any taxes legally imposed directly on the consumer that are separately stated on the invoice, bill of sale or similar document given to the purchaser.

“Sales price” shall include consideration received by the seller from third parties if:

- A. The seller actually receives consideration from a party other than the purchaser and the consideration is directly related to a price reduction or discount on the sale;
- B. The seller has an obligation to pass the price reduction or discount through to the purchaser;
- C. The amount of the consideration attributable to the sale is fixed and determinable by the seller at the time of the sale of the item to the purchaser; and
- D. One of the following criteria is met:
 - 1. The purchaser presents a coupon, certificate or other documentation to the seller to claim a price reduction or discount where the coupon, certificate or documentation is authorized, distributed or granted by a third party with the understanding that the third party will reimburse any seller to whom the coupon, certificate or documentation is presented;
 - 2. The purchaser identifies himself or herself to the seller as a member of a group or organization entitled to a price reduction or discount (a “preferred customer” card that is available to any patron does not constitute membership in such a group), or
 - 3. The price reduction or discount is identified as a third party price reduction or discount on the invoice received by the purchaser or on a coupon, certificate or other documentation presented by the purchaser.

States may also exclude from “sales price” either employee discounts that are reimbursed by a third party on sales of motor vehicles, or manufacturer rebates on motor vehicles, or both.