

103 KAR 26:100. Industrial laundry and linen supply services.

RELATES TO: KRS 139.010, 139.200

STATUTORY AUTHORITY: KRS 131.130(1)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 131.130(1) authorizes the Department of Revenue to promulgate administrative regulations for the administration and enforcement of Kentucky tax laws. This administrative regulation interprets the sales and use tax law as it applies to transactions involving industrial laundry and linen supply services.

Section 1. (1) Industrial laundry services are subject to sales tax pursuant to KRS 139.200(2)(k).

(2) The list in this subsection shall serve as general examples of industrial laundry services:

- (a) Industrial uniform supply services;
- (b) Protective apparel supply services;
- (c) Industrial mat and rug supply services; and
- (d) Any other substantially similar industrial services.

Section 2. (1) Linen supply services are subject to the sales tax pursuant to KRS 139.200(2)(m).

(2) The list in this subsection shall serve as general examples of linen supply services:

- (a) Table and bed linen supply services;
- (b) Nonindustrial uniform supply services; and
- (c) Any other substantially similar nonindustrial linen supply services.

Section 3. (1) Industrial laundry and linen supply service providers of aprons, caps, coats, diapers, dresses, linens, mats, protective apparel, rugs, towels, uniforms, or other articles of a similar nature under an agreement for periodic cleaning or laundering are consumers of the supplies and other property used in performing their services and the tax shall apply at the time these items are purchased.

(2) Industrial laundry and linen supply service providers shall not claim a sale for resale exemption by issuing the "Resale Certificate" (Revenue Form 51A105), "Streamlined Sales and Use Tax Agreement – Certificate of Exemption", (Form 51A206), or "Multistate Tax Commission's Uniform Sales and Use Tax Exemption/Resale Certificate – Multijurisdictional" for the purchase of the aprons, caps, coats, diapers, dresses, linens, mats, protective apparel, rugs, towels, uniforms, or other articles of a similar nature if retaining title to property they provide under an agreement for continuous cleaning service.

Section 4. Forms. The form(s) referenced in this administrative regulation may be inspected, copied, or obtained, subject to applicable copyright law, at:

- (1) The Kentucky Department of Revenue, 501 High Street, Frankfort, Kentucky 40601;
- (2) A Kentucky Taxpayer Service Center, Monday through Friday, 8:00 a.m. to 4:30 p.m.; or
- (3) The Department or Revenue Web site at <http://revenue.ky.gov>. (SU-86-2; 1 Ky.R. 229; eff. 1-8-1975; Tam eff. 5-20-2009; TAm eff. 6-22-2016; 47 Ky.R. 1610, 2357; eff. 8-3-2021.)