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The Annual Convention Is Ready!

Thank you all for being part of the MATDA as we move into the new year 2017. The association has been a watchdog for all us on regulations specific to the tire industry. MATDA provides independent tire dealers the opportunity to get answers and recommendations from industry peers as well as rules and regulations from experts at OSHA and the Department of Revenue. Good information and best practices is key to running a healthy business. The training and resources available through MATDA can keep your business in check and your employees up to date on the latest technology. I hope to see you all at the convention this year at the Kansas Star Casino! Thank You for you support.

*Tony Thompson
President MATDA*

The 2017 Annual Convention agenda is ready to go. Mark your calendar now for February 24-26, 2017. You will find the full agenda and registration materials attached with this newsletter. It will be held at the Kansas Star Casino in Mulvane, Kansas just south of Wichita. Rooms are at a great rate of \$99 again this year. You can call 316.524.3777 and say you are with the Mid-America Tire Dealers Association. The rooms are at the Hampton Inn and Suites and the link is with this email too to book a room online.

Also be sure to find the applications to nominate the Industry Service Award and Employee of the Year Award. It's a great honor for recipients. Nominate someone by emailing the application back to the MATDA office.

You can find the **scholarship** nomination forms with this newsletter. Please pass them out to the kids you know will be furthering their education and is connected with our great industry.

CALLING ALL VENDORS AND SPONSORS!!!

THE SPONSOR FORMS AND VENDOR REGISTRATION ARE AVAILABLE



Board Member Part of the Advisory Study Group in Nebraska

George Hoellen, MATDA Past President and long time board member was invited to sit on this committee. This is a great asset to have tire dealers interests brought up and considered while revamping regulations and laws in Nebraska.

The Department of Environmental Quality (NDEQ) scheduled the second meeting of the statewide LB1101 Solid Waste Management Study Advisory Committee on December 13th in Kearney, Nebraska.

The Nebraska Legislature authorized creation of the advisory committee in LB 1101 enacted in 2016. The purpose of the advisory committee is to advise NDEQ in conducting a study to examine the status of solid waste management programs operated by the NDEQ including grant programs that promote alternatives to landfill disposal, such as recycling, composting, and waste reduction. After completion of the study, NDEQ must submit a report to the Legislature by December 15, 2017 making recommendations on modernizing these programs. LB 1101 also authorized the NDEQ to hire a consultant to assist with the study.

“This study will provide the Legislature and NDEQ with a critical evaluation of our solid waste programs,” said NDEQ Director Jim Macy. “I’m looking forward to finding ways our solid waste programs can be more effective and efficient and better serve the State of Nebraska.” At the first meeting, the committee discussed several issues related to solid waste management programs. One of the primary purposes of the Dec. 13 meeting is for the committee to prioritize

the list of issues identified during their first meeting.

The advisory committee represents a broad cross-section of individuals who are experienced in a variety of solid waste management activities and issues.



The study will examine:

- Whether existing state programs regarding litter and waste reduction and recycling should be amended or merged;
- The needs of recycling and composting programs, including the need for infrastructure development, operating standards, market development, coordinated public education, and incentives to increase recycling and composting;
- Methods to partner with political subdivisions, and private and nonprofit organizations to most successfully address waste management issues;
- Existing funding sources and possible new revenue sources at the state and local level to address existing and emerging solid waste management issues; and,
- Revisions to existing grant programs to proactively address solid waste management issues.

REGISTER FOR THE CONVENTION AND GET YOUR ROOM NOW!!!

Sales Tax For Kansas Tire Dealers

by Carl York, Tax Specialist,
Ks. Dept. of Revenue

We have had a few of the same questions about sales tax that affects the tire industry. The general rule of law in Kansas is to collect sales tax on the sale of tangible personal property like tires. However, there are exceptions to this law called exemptions from sales tax.

Some industries are exposed to more exempt sales than others. The tire industry has many interesting scenarios in which sales taxes are exempt. The first is fairly cut and dry. The purchase of tires, valve stems, wheels and the items that are sold to the final consumer may be purchased without sales tax.

The law allows the purchase of the things you sell to be purchased without sales tax because sales tax will be collected from your customer. However, tire businesses must pay sales tax on things like shop supplies. Although things like shop towels, supplies, tools, and other specialty equipment purchased are used in providing various tire installation and auto repairs, they are subject to sales tax because the business (shop) is considered to be the end user of the shop supplies.

There are some end users that are exempt from sales tax depending on the use of the item purchased for example; agriculture sales are exempt. For the tire industry, this would be sales of farm machinery and equipment. The law states that farm machinery and equipment is equipment used only in farming or ranching. If the equipment is used for other things in addition to farming, ranching etc... the equipment is taxable.

Maintenance and repair on farm machinery and equipment is also exempt from sales tax. This means tires purchased and used on farm machinery and equipment are exempt from sales tax. The main thing here is to document what farm or agriculture equipment the tires are being purchased for to protect yourself in an audit.

An area that tire dealers run into quite a bit is when they sell tires for a grain trailer. Under normal circumstances if the vehicle or trailer is licensed for the road it would not qualify for the agriculture exemptions. An exception to this is for semi-trailers such as grain, flatbed, dump, tank, and van which are designed to allow for farm and ranch work and for which the purchaser certifies that the semi-trailer will only be used in farming and ranching are exempt from Kansas retailers' sales and compensating taxes. Converter gears or dollies that are utilized to facilitate the transport of farm trailers would also be exempt as farm machinery.

It should be stressed that any incompatible use would disqualify the trailer for exemption. Disqualification of the exemption would subject the farmer or rancher to the retailers' sales tax plus penalty and interest on the original purchase amount. The tire dealer needs to have an ST-28F completed and signed by the farmer or rancher or use invoices that allow the farmer or rancher to sign and claim the agricultural exemption on the face of the invoice. All of these act as an affidavit to protect the seller. The farmer or rancher is verifying they are purchasing the tires for qualified farm machinery and equipment that is exempt from sales tax. **The seller is taking the exemption certificate in good faith and should not be held responsible if the purchaser misused the agriculture exemption certificate.**

This is just a few scenarios the tire industry encounters in everyday business. I will be touching on a few other types of exemptions in the future. Good luck and hope to see everyone in February.

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The Fine Art of Customer Service and Money!

With the surge of “*fintech*”, which is defined as the technology that makes financial services more efficient, it might be fair to wonder if face-to-face conversations about our business finances will soon become a thing of the past. More and more traditional banks are closing lobbies and are exchanging them for internet divisions. Online banking, mobile finance apps, digital wallets, peer-to-peer lending, crowd-funding, and other financial applications and services are now just a click away. Financial services that were once reserved for the savvy and entrepreneurial types among us have now become available to the masses.

While the trusted face-to-face interactions are very quickly being replaced by technologically advanced and impersonal transactions on a smart device or computer, the level of customer service seems to be declining at an equally rapid pace.

Traditionally, financial services providers have been known for their superb customer service models, but this came at a cost. Appointments needed to be made in advance and lengthy discussions took place, before money was actually entrusted in the care of a business owner’s provider of choice. The process of selecting a financial services provider, whether an accountant, a bank, a credit card processor, a payroll processor, etc. was slow-moving and required many resources.

These days, business decisions need to be made quickly and vendors are far too often selected based on criteria of efficiency, low cost and speed, more so than criteria of trust-worthiness, experience, reputation, customer service and integrity. And even though many financial services are now readily available via website or app, business owners want to

know that they will have access to impeccable customer service, if and when they require it.

Customers and business owners alike want to know that access to customer service, training and information is readily available, should the website or app fail them.

The *availability* of customer service is almost as important and valuable as the actual service itself. For many consumers and business owners, the sheer thought of knowing that they can email a dedicated representative directly; initiate a live chat online; or better yet, dial a direct phone number and reach a friendly, helpful voice on the other end of the line, makes them more inclined to do business with this financial services provider.

And as a business owner, when your hard-earned money is at stake, why wouldn’t you hold your financial services providers to a higher standard of customer service? It is crucial that you have quick and easy access to assistance, reports, answers and helpful team members! Like a revered work of art, it takes skill, practice and experience to master the concept of superior customer service. And much like exquisite art, there are only a

few who are exceptionally good at it and who stand out from the rest. We already have easy access to *fintech*, but doesn’t everyone deserve access to a fine work of art as well? Or at the very least, access to impeccable and readily-available customer service?

BASYS Processing is a leader in credit card processing who takes great pride in offering cutting edge credit card acceptance solutions, paired with remarkable customer service. Each business owner works with a dedicated Relationship Manager to deliver the best possible customer service experience. BASYS Processing is proud to be a MATDA- endorsed credit card processing partner for MATDA members.





New Law Allows Small Employers HRAs

President Obama has signed into law the 21st Century Cures Act. Among other things, the Legislation will permit small employers (less than 50) to maintain general-purpose stand-alone Health Reimbursement Arrangements (HRAs) if they do not offer a group health plan to any of their employees.

The Legislation will allow use of HRAs to pay for qualified out-of-pocket medical expenses and for non-group plan health insurance premiums, including for plans purchased on public health care exchanges under the Affordable Care Act.

- The maximum reimbursement is \$4,950 for single and \$10,000 for family
- It's for full-time employees only
- Generally it must be available for all eligible employees.

SESCO recommends that clients review all applicable policy and practices to ensure compliance. For assistance, contact at 423-764-4127 or sesco@sescomgt.com

On The Light Side

- I saw a guy at the coffee shop today. No Iphone, no tablet, no laptop. He just sat there drinking coffee....like a psychopath!!
- I'm having people over to stare at their phones later if you want to stop by.
- Want someone to stop texting you? Service Error 305: Message delivery failed. Further messages will be charged to your account.

Merry Christmas and Happy Holidays from the MATDA



MATDA MISSION

The mission of the MATDA is to promote closer cooperation and better understanding between the tire dealers of Kansas, Nebraska, and Oklahoma; to provide professional lobbying and governmental relations; to

provide effective training and education to enhance members' business acumen and help them better serve the consumer; to promote public understanding of the industry's concern for the environment, and to provide such services and activities that are proper and necessary to achieve these mutual goals.

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