**Private Letter Ruling**

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| **Ruling Number:** | **P-2000-015** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Propane tanks, equipment, oil and misc. items.** |
| **Keywords:** |  |
| **Approval Date:** | **04/06/2000** |

**Body:**

Office of Policy & Research

April 6, 2000

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Dear Ms. TTTTTTT:

We wish to acknowledge receipt of your letter dated October 25, 1999, regarding the application of Kansas Retailers’ Sales tax.

K.S.A. 79-3603(h) imposes a sales tax upon: “the gross receipts from the service of renting or leasing of tangible personal property. . .”

Please be advised that sales tax is imposed on the total amount of each lease payment which the lessee is obligated under the contract to pay to the lessor for continued use of the propane tanks and equipment.

K.S.A. 79-3606(a) imposes a sales tax: "upon the gross receipts received from the sale of tangible personal property at retail within this state."

The delivery of oil and miscellaneous items would be subject to sales tax in the state of Kansas. In this instance, the local tax due, would be the rate imposed at the situs of the retailer.

I have enclosed a Question and Answer format that I trust will answer the rest of your questions.

This is a private letter ruling pursuant to K.A.R. 92-19-59. It is based solely on the facts provided in your request. If it is determined that undisclosed facts were material or necessary to an accurate determination by the department, this ruling is null and void. This ruling will be revoked in the future by the operation of law without further department action if there is a change in the statutes, administrative regulations, or case law, or published revenue ruling, that materially effects this private letter ruling. If I may be of further assistance, please contact me at your earliest convenience at (785) 296-7776.

Sincerely yours,

Thomas P. Browne, Jr.
Tax Specialist

TPB

**Date Composed: 04/19/2000 Date Modified: 10/11/2001**