**Private Letter Ruling**

|  |  |
| --- | --- |
| **Ruling Number:** | **P-2000-045** |

|  |  |
| --- | --- |
| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Taxability of the purchase and installation of manufacturing machinery and equipment.** |
| **Keywords:** |  |
| **Approval Date:** | **09/21/2000** |

**Body:**

Office of Policy & Research  
  
  
September 21, 2000

XXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXX  
  
Dear XXXXXXXXXX:  
  
The purpose of this letter is to respond to your letter received May 1, 2000. In it, you request advice on the taxability of the purchase and installation of manufacturing machinery and equipment.  
  
Effective July 1, 2000, K.S.A. 79-3606(kk)(1) exempts (A) all sales of machinery and equipment used in Kansas as an integral or essential part of an integrated production operation by a manufacturing or processing plant or facility, (B) all sales of installation, repair and maintenance services performed on such machinery and equipment; and (C) all sales of repair and replacement parts and accessories for such machinery and equipment.  
  
Your letter continues with the following purchases:  
  
1.) The purchase of a wash and oven system, which will be an extension of the existing equipment used in the manufacture of your product.  
  
Answer: Exempt, pursuant to K.S.A. 79-3606(kk).  
  
2.) Electrical and mechanical parts and labor required for installation of the line.  
  
Answer: Exempt, pursuant to K.S.A. 79-3606(kk).  
  
3.) Labor and materials associated with equipment and facility layout changes required to accommodate placement of the new equipment, including removal of block wall, creation of containment curbs, as well as installation of drain systems and mud traps that will be part the system.  
  
Answer: Exempt, pursuant to K.S.A. 79-3606(kk).  
  
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 by operation of law without further department action if there is a change in the controlling statutes, administrative regulations, revenue rulings or case law that materially effects this determination.  
  
  
  
  
  
Sincerely,  
  
  
  
Mark D. Ciardullo  
Tax Specialist  
  
  
**Date Composed: 09/21/2000 Date Modified: 10/11/2001**