**Private Letter Ruling**

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| **Ruling Number:** | **P-2002-094** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Direct purchases by a public or private nonprofit hospital.** |
| **Keywords:** |  |
| **Approval Date:** | **11/08/2002** |

**Body:**

Office of Policy & Research

November 8, 2002

TTTTTTTTTTTTTT

Dear Ms. TTTTTTTTTTT:

We wish to acknowledge receipt of your e-mail dated October 8, 2001, regarding the application of Kansas Retailers’ Sales tax.

K.S.A. 79-3606(b) exempts from sales tax: "all sales of tangible personal property or service, including the renting and leasing of tangible personal property purchased directly by......a public or private nonprofit hospital...and used exclusively for...hospital...purposes, except when: (1) Such...hospital is engaged or proposes to engage in any business specifically taxable under the provisions of this act and such items of tangible personal property or service are used or proposed to be used in such business,..."

Please be advised that if a public or private nonprofit hospital makes direct purchases, then said purchases would be exempt from Kansas sales tax(es), pursuant to K.S.A. 79-3606(b). However, the Kansas Sales Tax Law does not contain a sales tax exemption for hospital foundations.

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: 11/15/2002 Date Modified: 11/15/2002**