**Private Letter Ruling**

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| **Ruling Number:** | **P-2004-054** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Water utilities furnished to a university (a public educational institution) for dormitories and residential scholarship halls owned by the university.** |
| **Keywords:** |  |
| **Approval Date:** | **11/30/2004** |

**Body:**

Office of Policy & Research

November 30, 2004

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Re: Your Correspondence Dated August 12, 2004

Dear XXXX:

You have asked whether local sales tax should be charged on water utilities furnished to the University XXXX, a public educational institution, for dormitories and residential scholarship halls owned by the University.

If the University is directly purchasing the water utilities for use in its dormitories and residential scholarship halls, then such purchase would be considered exempt from state and local sales tax under K.S.A. 79-3606(c). A municipality furnishing water utilities to the University XXXX under the above circumstances should not collect state or local sales tax on such sales.

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 you have additional questions, please contact me.

Very truly yours,

Richard L. Cram

**Date Composed: 12/03/2004 Date Modified: 12/03/2004**