**Private Letter Ruling**

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| **Ruling Number:** | **P-1998-36** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Original construction.** |
| **Keywords:** |  |
| **Effective Date:** | **04/15/1998** |

**Body:**

Office of Policy & Research

April 15, 1998

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Dear Mr. TTTTTT:

We wish to acknowledge receipts of your letter dated April 1, 1998, regarding the application of Kansas Retailers’ Sales tax.

K.S.A. 79-3603(p) imposes a sales tax upon: “the gross receipts for the service of installing or applying tangible personal property . . . and whether or not such tangible personal property when installed or applied remains tangible personal property or becomes part of real estate, except that no tax shall be imposed upon the service of installing or applying tangible personal property in connection with the original construction of a building or facility . . .
For purposes of this subsection:
(1) “Original construction” shall mean the first or initial construction of a new building or facility. The term “original construction” shall include the addition of an entire room or floor to any existing building or facility, the completion of any unfinished portion of any existing building or facility . . .
(2) “building” shall mean only those enclosures within which individuals customarily live or are employed, or which are customarily used to house machinery, equipment or other property, and the land improvements immediately surrounding such building. . .”

In closing, the services that you have described in the above referenced letter to erect the TTTTTTTTTTT would not be subject to sales tax in the state of Kansas, since said services are rendered in connection with the original construction, which is the first or initial construction, of a new building.

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: 04/27/1998 Date Modified: 10/10/2001**