**Private Letter Ruling**

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| **Ruling Number:** | **P-1999-53** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Hospital gift shops.** |
| **Keywords:** |  |
| **Approval Date:** | **03/08/1999** |

**Body:**

Office of Policy & Research

March 8, 1999  
  
XXXXXXXXXXXXX  
XXXXXXXXXXX  
XXXXXXXXXXXXXX  
XXXXXXXXXXXX  
  
Dear XXXXXXXXXXX:  
  
I have been asked to respond to your letter of February 18, 1999. In it you ask for a private letter ruling that recognizes the XXXXXXXXXXXXXXXXXXX is exempt from payment of Kansas sales tax. You stated that the XXXXXX is a not-for-profit organization and all profits from it’s sales are given as charitable donations to hospitals, community organizations and student scholarships.  
  
Unlike many states, Kansas does not extend a general sales tax exemption to not-for-profit organizations. Accordingly, to be exempt, the XXXXXX must fall within one of the conceptual exemptions in K.S.A. 79-3606 or be one of the organizations listed therein as exempt. It was suggested to you by someone in your organization that the exemption contained in K.S.A. 79-3606(b) would apply to purchases and sales made the XXXXXX. One of the exemptions in this subsection pertain to direct purchases by nonprofit hospital. The XXXXXX is not a nonprofit hospital.  
  
The XXXXXXX is acting in the capacity of a retailer. The XXXXXXX would purchase items intended for resale exempt from sales tax and must collect sales tax on the selling price when sold.  
  
I have enclosed a copy of K.S.A. 79-3606 for you to review.  
  
This private letter ruling is based solely on the facts provided in your request. If it is determined that undisclosed facts were material or necessary to make an accurate determination by the department, this ruling is null and void. This private letter ruling will be revoked in the future by operation of law without further department action if there is a change in the statutes, administrative regulations, or case law, or a published revenue ruling, that materially affects this private letter ruling.  
  
Sincerely,  
  
  
Mark D. Ciardullo  
Tax Specialist  
  
MDC  
  
  
**Date Composed: 03/16/1999 Date Modified: 10/11/2001**