**Private Letter Ruling**

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| **Ruling Number:** | **P-1999-94** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Retail sales by parent teacher associations, public schools and school student clubs.** |
| **Keywords:** |  |
| **Approval Date:** | **03/26/1999** |

**Body:**

Office of Policy & Research

March 26, 1999

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Dear Ms. XXXXXXX

The purpose of this letter is to respond to your letter dated August 25, 1998.

In your letter you asked for clarification and answers to questions on the application of Kansas retailers’ sales tax on retail sales by parent teacher associations, public schools and school student clubs.

You have reviewed the Department’s Notice 98-01, and have stated that no changes are apparent for sales by schools, except for sales by parent teacher associations.

The Department is in agreement this statement.

You asked, “Would school student clubs or activity funds fall into the category ‘other nonprofit organizations’ for sales of tangible personal property made by or on behalf of a non-profit organization for nonsectarian multidiscipline youth development programs? Many of our schools sell candy or other items to promote the development of students of the school.”

It is the opinion of the Department that schools and school clubs do not enjoy the exemption contained in K.S.A. 79-3606(ii), which exempts nonsectarian comprehensive multidiscipline youth development programs. This opinion is further bolstered by the fact that Kansas sales tax law contains specific exemptions for public schools K.S.A. 79-3606(c). K.S.A. 79-3606(yy) does contain a similar exemption for sales by parent teacher associations

You asked, “Can a parent group purchase all the items tax-exempt for concession stand and then their members run the concession stand and give the student club of their interest a tax free donation?

To be exempt the parent group must be a parent teacher association (PTA) or a parent teacher organization (PTO). For purposes of the exemption, a parent-teacher association is a nonprofit association chartered by the National PTA or Kansas PTA that is authorized to operate within a public or private school by the governing authority of the school. A parent-teacher organization is a nonprofit organization that is functionally equivalent to a “parent-teacher association” and is authorized by the governing authority of a public or private school to operate within the school. The PTA or PTO operates for the benefit and support of an individual school with a defined organizational structure, purpose, and goals, and is recognized by the school as a PTA/PTO.

Subsequent transfers of moneys acquired through fund raising and transferred to other organizations would incur no Kansas retailer sales tax liability.

This is a private letter ruling pursuant to Kansas Administrative Regulation 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 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 effects this ruling.

Sincerely,

Mark D. Ciardullo
Tax Specialist

MDC

**Date Composed: 04/02/1999 Date Modified: 10/11/2001**