**Private Letter Ruling**

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| **Ruling Number:** | **P-2001-024** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Educational institution purchases.** |
| **Keywords:** |  |
| **Approval Date:** | **03/23/2001** |

**Body:**

Office of Policy & Research

March 23, 2001

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Dear Mr. TTTTTTTTT:

We wish to acknowledge receipt of your letter dated March 22, 2001, regarding the application of Kansas Retailers’ Sales tax.

**Kansas law defines an Educational Institution as:** Schools and educational institutions are exempt from sales tax. The 1998 legislature defined an "educational institution" to mean a nonprofit school, college, or university that offers educational courses at a level above the twelfth grade and meets certain requirements fixed by the statute. This new definition also includes:

Nonprofit endowment associations and foundations that operate exclusively for the support and benefit of an educational institution;
Nonprofit entities whose principal purpose is to hold receipts from intercollegiate sporting events and to disburse these receipts, as well as grants and gifts, for the sole benefit of the athletic programs of an educational institution;
Nonprofit research organizations whose primary purpose is to pursue scholarly investigation and research for the sole benefit of an educational institution; and
A group of educational institutions that operate exclusively for an educational purpose***,***suchas the NCAA.

Educational institutions are eligible to obtain a project exemption when constructing, equipping, reconstructing, maintaining, repairing, enlarging, furnishing, or remodeling buildings other than dormitories, and when they make other improvements to property. K.S.A. 79-3602(s).

Governor Bill Graves signed Senate Bill 493 into law, which became effective July 1, 1998. It contained several sales tax exemptions to deserving organizations, including non-profit zoos and parent-teacher organizations.

Many organizations, such as your genealogical society, perform a great deal of services for their communities with the funds that they raise. However, not every non-profit organization enjoys an exemption from Kansas sales tax. Yours does not.

An exemption for genealogical societies, such as yours would require a change to Kansas statutes through legislative action. Therefore, you may also wish to contact your elected Kansas representative and senator.

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: 03/30/2001 Date Modified: 10/11/2001**