**Opinion Letter**

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| **Letter Number:** | **O-2000-020** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Annual fundraising events.** |
| **Keywords:** |  |
| **Approval Date:** | **10/02/2000** |

**Body:**

Office of Policy & Research  
  
  
October 2, 2000

XXXX  
XXXX  
XXXX

RE: Your e-mail inquiry

Dear XXXX:  
  
I have been asked to answer your letter that we received in late August. In it, you state that you have served as the treasurer for the Topeka chapter of XXXXXXX. You state that in a telephone conversation with department employees, you were advised that XXXXXX is required to collect sales tax on its annual fundraising events. This advice is correct. Your organization is required to collect sales tax on these sales even though (1) the planned events are held once a year, (2) your organization qualifies as a non-profit organization, and (3) the proceeds form the sales are used to fund the organization. You complain that other organizations do not appear to be charging sales tax on their events and want to make sure your patrons understand your sales tax collection obligations.  
  
XXXXXXX is required to collect sales tax on its fundraising events because the planned events are held once each year. Because of this, the selling events do not qualify for the isolated or occasional sale exemption. Other organizations that do not plan annual selling events are permitted to make one sale per year without incurring tax collection responsibilities. This policy may be some of the source of confusion. Essentially, the policy is based on the assumption that an organizations like XXXXXXX, church groups, and others non-profit groups that hold annual selling events should register to collect sales tax and remain registered because they know they will be holding a fundraising event each year where retail sales are made. Regular, planned selling events cannot be said to be events that are held only “occasionally.”  
  
The department is currently reviewing all of its administrative regulations at the Governor Grave’s behest. This means that some basic policies such as the one for isolated and occasional sales will be reviewed. Please contact me again in six months and ask me how this review has proceeded. By that time, I should be able to advise you if there have been any changes to the policy that currently governs your organization’s fundraising events.

Sincerely,  
  
Thomas E. Hatten

Attorney/Policy & Research  
  
  
**Date Composed: 10/03/2000 Date Modified: 05/17/2002**