**Private Letter Ruling**

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| **Ruling Number:** | **P-1998-140** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Sales made by religious organizations.** |
| **Keywords:** |  |
| **Approval Date:** | **10/02/1998** |

**Body:**

Office of Policy & Research  
  
October 2, 1998

XXXXXXX  
XXXXXXX  
XXXXXXX

RE: Your letter of September 14, 1998

Dear Ms. XXXXXX:  
  
I have been asked to respond to your letter that we received earlier this month. It explains that your church intends to sell holiday greeting cards on consignment for UNICEF, the United Nations Children’s Fund. All sales proceeds will be sent directly to UNICEF. While UNICEF gives you the option of keeping 10% of the sales receipts, your church does not anticipate keeping any. Card sales will be made from October 1, 1998 through mid-December.  
  
The new exemption for religious institutions extends to their purchases --- not to their sales. Because of the duration of the event, there are no exemptions that extend to these sales. The fact that it is a consignment sale does not effect this determination. Accordingly, these card sales are subject to Kansas sales tax. Your church must collect and remit state and local sales tax on all such sales made in Kansas.  
  
While the new exemption does not exempt church sales, it does exempt many of their purchases. I have enclosed a copy of Notice 98-05. It explains the new exemption for purchases by religious institutions. I hope that you find it helpful.  
  
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 by operation of law without further department action if there is a change in the controlling statutes, administrative regulations, revenue rulings or case law that materially effects this determination. Please call me if you have any additional questions. My number is (785) 296-4008.

Sincerely,  
  
  
Thomas E. Hatten  
Attorney/Policy & Research

Enclosure  
  
  
**Date Composed: 10/05/1998 Date Modified: 10/10/2001**