**Private Letter Ruling**

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| **Ruling Number:** | **P-2002-031** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Charitable organizations.** |
| **Keywords:** |  |
| **Approval Date:** | **03/25/2002** |

**Body:**

Office of Policy & Research  
  
  
March 25, 2002

XXXXXXXXXXXXX  
XXXXXXXXXXXX  
XXXXXXXXXXXXXXXX  
XXXXXXXX  
  
Dear XXXXXXXXXXXXXX:  
  
I have been asked to respond to your letter dated March 21, 2002.  
  
In your letter you stated:

I'm writing you today in hopes of receiving your assistance in this matter of Sales Tax exemption, XXXXXX my representative suggested I write to you and send all information of documentation I can to prove what our organization does in XXX County.  
  
We are requesting exemption from paying sales tax in the state of Kansas. The Internal Revenue Service has already granted us exemption from federal taxes as a Non Profit Organization under section 501 (c)(3) guidelines of the internal Revenue Tax Code and we would Re to be exempt from state taxes also.  
  
We are a local organization that started because we saw a need for assistance with cancer Patients in our community. XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX.  
  
Since we started this organization the XXXXXXX has sued us twice but could not prove that we infringed on any or there trademarks so they have since left us alone. It really angers me that we have not yet received exemption status, yet the American Cancer Society in Kansas has. Where is the justification in this.  
  
Enclosed you will find copies of the Internal Revenue Service declaration of exemption, our brochure, volunteer cards and a copy of our letter to out vendors in our community support us now and since the beginning. This last year we paid out in financial assistance XXXXXXXX and only raised XXXXXX. No one in our organization receives a salary we are all volunteers.

Tax exemptions are narrowly construed. This means that a group that claims exemption must clearly qualify for exemption within the plain language of the statute. The Kansas sales tax act lists various groups that are exempt from tax. Some statutes identify the exempt entity by name. These include the statute that exempts the American Heart Association, Kansas Affiliate, Inc. and the American Lung Association of Kansas, Inc., among others. Other statutes extend exemption by describing the entity in general terms, such as the exemptions extended to non-profit hospitals, political subdivisions of the state, and nonprofit zoos. Some exemptions are limited to certain purchases while other exemptions extend to all purchases.  
  
K.S.A. 79-3606 contains more than 60 additional exemptions. I have reviewed these exemptions and cannot find any that encompass your organization. Accordingly, your organization must register, collect and remit sales or compensating tax on all sales occurring in the State of Kansas.  
  
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: 03/29/2002 Date Modified: 03/29/2002**