**Private Letter Ruling**

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| **Ruling Number:** | **P-2004-055** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Application of Kansas retailers' sales tax on purchases and sales by a YMCA.** |
| **Keywords:** |  |
| **Approval Date:** | **12/10/2004** |

**Body:**

Office of Policy & Research  
  
  
December 10, 2004

XXXXXXXXXXXXX  
XXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXX  
XXXXXXXXXXX  
  
Dear XXXXXXXXXXX:  
  
I have been asked to respond to your letter received by this office on October 15, 2004. In it, you ask for guidance on the application of Kansas retailers’ sales tax on purchases and sales by the XXXXXXXXXXX YMCA.  
  
The XXXXXXXX YMCA may only purchase tangible personal property exempt from sales tax for use in the YMCA’s youth development programs and youth development activities. The XXXXXXXXXXX YMCA may purchase tangible personal property for resale without the payment of sales tax. The XXXXXXXXXX YMCA may engage as a retailer of tangible personal property without any sales tax collection duties.  
  
Allow me to explain our rationale:  
  
K.S.A. 79-3606(ii) exempts from Kansas retailers’ sales tax, “all sales of tangible personal property purchased directly by a nonprofit organization for nonsectarian comprehensive multidiscipline youth development programs and activities provided or sponsored by such organization, and all sales of tangible personal property by or on behalf of any such organization. This exemption shall not apply to tangible personal property customarily used for human  
habitation purposes;”  
  
This means that all nonprofit organizations that qualify for this exemption may purchase tangible personal property exempt from sales or compensating tax; and sell tangible personal property with no duty to register, collect and remit sales tax. Please note that this exemption does not exempt the nonprofit organization from sales tax when purchasing of a taxable service; nor the duty to register, collect and remit sales tax on the gross receipts from the providing of a taxable service.  
  
  
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: 12/13/2004 Date Modified: 12/13/2004**