**Opinion Letter**

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| **Letter Number:** | **O-2000-038** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Monthly fees for subscribing to a satellite radio service.** |
| **Keywords:** |  |
| **Approval Date:** | **11/29/2000** |

**Body:**

Office of Policy & Research  
  
  
November 29, 2000

XXXX  
XXXX  
XXXX

RE: Your e-mail of November 28, 2000

Dear XXXX:  
  
Thank you for your recent e-mail inquiry. You ask if monthly fees for subscribing to a satellite radio service are subject to Kansas sales tax. Your grocery stores receive satellite transmissions of music and advertisements that are played over store intercoms.  
  
Kansas sales tax is imposed on “the gross receipts from cable, community antennae and other subscriber radio and television services.” *K.S.A. 79-3603(k).* Notice 98-04 states:

“Subscriber radio and television service” means any business that, for a fee, regularly amplifies and transmits by wire, coaxial cable, light wave, radio wave, or microwave, simultaneously to multiple subscribers, programs broadcast by television or radio stations or originated by themselves or other parties. These services include digital satellite radio and television services. A subscriber radio and television service does not include a master antenna system that serves one residential, commercial, or government building, or a complex of buildings under common ownership, if that service does not provide any broadcast signals other than those that may be viewed in that facility.

The statute and notice make clear that your payments are for a subscriber radio service and, accordingly, are subject to Kansas sales tax. As the notice states, subscriber radio service providers are required to collect state and local sales tax on the total amount that they receive from their service.  
  
I have enclosed a copy of Notice 98-04 for your review. I believe that my letter and the notice answer all of your questions. If not, please call me at (785) 296-3081.

Sincerely,  
  
  
  
Thomas E. Hatten  
Attorney/Policy & Research

Enclosure  
  
  
**Date Composed: 12/12/2000 Date Modified: 10/10/2001**