**Private Letter Ruling**

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| **Ruling Number:** | **P-1998-107** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Internet services.** |
| **Keywords:** |  |
| **Approval Date:** | **08/31/1998** |

**Body:**

Office of Policy & Research  
  
August 31, 1998

XXXXXX  
XXXXXX  
XXXXXX

RE: Your Correspondence of  
April 20, 1998

Dear XXXX:  
  
I have been asked to respond to your letter of April 20, 1998. In it, you ask if internet services are subject to Kansas sales tax. You state that your telephone company is an internet provider.  
  
Charges to customers for internet use are not subject to Kansas sales tax. Charges for services are subject to sales tax in Kansas only if the service is enumerated in K.S.A. 79-3603. Since internet services are not listed in K.S.A. 79-3603, internet charges to consumers should not be taxed.  
  
Please note that, as a telephone company, you may be leasing telephone lines to internet providers or otherwise billing them for the use of your lines or for other telephone services. All telephone charges billed to internet providers are subject to Kansas sales tax to the same extent as any other taxable telephone charges that are billed to business users. This includes use of lines to carry internet signal from the internet provider’s receiver to the internet provider’s customer. Internet providers cannot make resale claims for telephone lines because internet services are not subject to Kansas sales tax.  
  
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.

Sincerely,  
  
  
  
Thomas E. Hatten

Attorney/Policy & Research  
  
  
**Date Composed: 09/02/1998 Date Modified: 10/10/2001**