**Private Letter Ruling**

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| **Ruling Number:** | **P-1998-189** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Candy sells by youth recreation organizations.** |
| **Keywords:** |  |
| **Approval Date:** | **11/20/1998** |

**Body:**

Office of Policy & Research

November 20, 1998  
  
  
XXXXXXXXXXXXX  
XXXXXXXXXXXXX  
XXXXXXXXXXXXX  
XXXXXXXXXXXXX  
  
  
Dear XXXXXXXXXX:  
  
The purpose of this letter is to respond to your letter dated November 6, 1998. You requested the Kansas Department of Revenue advise you on the application of Kansas retailers’ sales tax on retail sales by the youth participants of the XXXXXXXXXXXXXXXX.  
  
Kansas law exempts “all sales of tangible personal property purchased directly by a non- profit 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.” The amendment to this law exempts sales by or on behalf of “nonsectarian comprehensive multidiscipline youth development programs.” It is the opinion of the Kansas Department of Revenue that a “youth baseball program” does not come within the meaning of “nonsectarian comprehensive multidiscipline youth development programs.”  
  
Kansas law generally taxes “the gross receipts received from fees and charges by public and private clubs, drinking establishments, organizations and businesses for participation in sports, games and other recreational activities, but such tax shall not be levied and collected upon the gross receipts received from: (1) Fees and charges by any political subdivision, or any youth recreation organization exclusively providing services to persons 18 years of age or younger which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986, for participation in sports, games and other recreational activities; [emphasis added] and (2) entry fees and charges for participation in a special event or tournament sanctioned by a national sporting association to which spectators are charged an admission which is taxable pursuant to subsection (e);”  
  
The underlined portion of this statute that contains the term “youth recreation organization.” This term’s frame of reference is exactly the type of entity as your organization. At the time participation fees were exempted from sales tax your type of youth organization was specifically what the legislature had intended to exempt.  
  
No amendments to the Kansas law have exempted candy sales by a “youth recreation organization.” Your organization must collect and remit sales tax on it’s fund raising sales.  
  
This is a private letter ruling pursuant to Kansas Administrative Regulation 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 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 ruling.  
  
Sincerely,  
  
  
Mark D. Ciardullo  
Tax Specialist  
  
MDC  
  
  
**Date Composed: 11/17/1998 Date Modified: 10/10/2001**