**Private Letter Ruling**

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| **Ruling Number:** | **P-1998-50** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Leasing space on a computer system.** |
| **Keywords:** |  |
| **Effective Date:** | **06/03/1998** |

**Body:**

Office of Policy & Research

June 3, 1998

XXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXX

Dear XXXXXXXXXXXXXXXX:

The purpose of this letter is to respond to your letter dated April 21, 1998.

You generally stated in your letter:

Your business leases space on your computer system to other individuals and businesses. These individuals and businesses use this space for a variety of purposes. The most common is to store a message that may be listened to by people calling the number, you provided them, to access leased space on your system. How your customers use this space is up to them, we limit the use based on the amount of time that is spent accessing it. Most people use the space to store information or messages in either fax or voice form. You do not change or act upon or interact with caller that are accessing their space. The only time you interact with the customer is when they request a change in how their leased space is configured. You want to clarify that when you refer to space you are referring to space on your hard drive not physical space in our business location.

It is the opinion of the Kansas Department of Revenue that the gross receipts from the service you described would not be subject to Kansas retailers’ sales tax.

Sincerely,

Mark D. Ciardullo
Tax Specialist

**Date Composed: 06/02/1998 Date Modified: 10/10/2001**