**Private Letter Ruling**

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| **Ruling Number:** | **P-1999-189** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Services purchased and consumed by hotels: building maintenance, landscape, security, exterminating, employment and employment placement services.** |
| **Keywords:** |  |
| **Approval Date:** | **09/07/1999** |

**Body:**

Office of Policy & Research  
  
  
September 7, 1999

XXXXXXXXXX  
XXXXXXXXXXXX  
XXXXXXXXXXXXX  
  
  
Dear XXXXXXX:  
  
I have been asked to respond to your letter dated August 3, 1999. In it, you ask for guidance pertaining to Kansas retailers’ sales tax on services purchased and consumed by hotels.  
  
In your letter you stated:  
  
XXXXXXX own and operate a chain of hotels throughout the United States. We are asking if building maintenance, landscape, security, exterminating, employment and employment placement services are subject to or exempt from Kansas retailers’ sales tax to the hotel industry.  
  
Kansas law imposes tax on “the gross receipts received for the service of installing or applying tangible personal property. . .except that no tax shall be imposed upon the service of installing or applying tangible personal property in connection with the original construction of a building . . .” K.S.A. 79-3603(p).  
  
“Original construction” means “the first or initial construction of a new building. . .and includes the addition of an entire room or floor to any existing building or facility, the completion of any unfinished portion of any existing building or facility and the restoration, reconstruction or replacement of a building or facility damaged or destroyed by fire, flood, tornado, lightning, explosion or earthquake, but such term, except with regard to a residence, shall not include replacement, remodeling, restoration, renovation or reconstruction under any other circumstances;” K.S.A 79-3603(p)(1).  
  
It is the opinion of the Kansas Department of Revenue the gross receipts from the following services, performed at a hotel are subject to Kansas retailers’ sales tax: building maintenance, landscape maintenance and extermination services. Kansas does not impose sales tax on the gross receipts from the services of furnishing security personnel or employment placement services.  
  
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: mdc  
  
  
**Date Composed: 09/13/1999 Date Modified: 10/11/2001**