**Private Letter Ruling**

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| **Ruling Number:** | **P-1999-241** |

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| **Tax Type:** | **Kansas Compensating Tax; Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Not-for-profit organization.** |
| **Keywords:** |  |
| **Approval Date:** | **10/29/1999** |

**Body:**

Office of Policy & Research  
  
  
October 29, 1999

XXXXXXXXXXXXXX  
XXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXX  
  
  
  
Dear XXXXXXXXXXXXX:  
  
The purpose of this letter is to respond to your letter dated August 30, 1999. In your letter you stated the following:

XXXXXXXXXXX is requesting Sales/Use tax exempt status for the state of Kansas.  
  
XXXXXXXX is a corporation organized not for profit, exclusively for charitable and educational purposes. We promote XXXXXXXXXX craft shows with the proceeds of which will be distributed to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code or corresponding section of any future Federal tax code.

Tax exemptions are narrowly construed. This means that a group that claims exemption must clearly qualify for exemption within the plain language of the statute. The Kansas sales tax act lists various groups that are exempt from tax. Some statutes identify the exempt entity by name. These include the statute that exempts the American Heart Association, Kansas Affiliate, Inc. and the American Lung Association of Kansas, Inc., among others. Other statutes extend exemption by describing the entity in general terms, such as the exemptions extended to non-profit hospitals, political subdivisions of the state, and nonprofit zoos. Some exemptions are limited to certain purchases while other exemptions extend to all purchases.  
  
K.S.A. 79-3606 contains more than 60 additional exemptions. I have reviewed these exemptions and cannot find any that encompass your organization. Accordingly, your organization must register, collect and remit sales or compensating tax on all sales occurring in the State of Kansas.  
  
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  
  
  
**Date Composed: 11/03/1999 Date Modified: 10/10/2001**