**Private Letter Ruling**

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| **Ruling Number:** | **P-2000-051** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Computer repair and maintenance services performed at a home or other residence.** |
| **Keywords:** |  |
| **Approval Date:** | **10/03/2000** |

**Body:**

Office of Policy & Research

October 3, 2000

XXXX
XXXX
XXXX

RE: Your e-mail question

Dear XXXX:

I have been asked to answer your letter about computer repair and maintenance. Historically, all repair and maintenance services were taxed under K.S.A. 79-3603(q) and K.S.A. 79-3603(r). These subsections tax service charges for repairing and maintaining tangible personal property.

You ask if computer services performed at a home or other residence continue to be subject to sales tax. You indicate that you were advised that computer repair and maintenance services are exempt when performed at a residence. This advice is incorrect.

The controlling law is 1998 Senate Bill 493. This bill became law on July 1, 1998 and exempts residential repair and remodel work. Before the law took effect, the department issued Notice 98-02 to explain how it would be administered. I have enclosed a copy of the Notice for you to have and review.

Whether Senate Bill 493 now exempts computer repair and maintenance services performed at a residence is answered in Notice 98-02, at Paragraph III:

A residence is a type of building that consists of its component parts and fixtures, just as any other building. A residence does not include the tangible personal property located within it, such as furniture and clothing. . . .

To become part of a building, components and fixtures must be connected to the building by physical means, such as by bolts, nails, screws, cement, piping, or wire. Components and fixtures are intended to be permanent improvements to the building and make the building complete or habitable. Removal of a component or fixture would often damage the component or fixture or require the alteration or repair of the structure to which component or fixture is affixed. (emphasis added)

Normally, repair work done at a residence may be assumed to be exempt. This assumption applies since items repaired in a home are either built into or connected to the residence. As the quoted discussion in the notice shows, this is not the case with computers, televisions, or with almost all furniture. The exemption for residential repair and remodeling does not apply to computers, since they are considered to be tangible personal property located in the residence. Accordingly, computer repair and maintenance services continue to be subject to Kansas sales tax whether done at a residence or elsewhere.

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.

Sincerely,

Thomas E. Hatten
Attorney/Policy & Research

Enclosure

**Date Composed: 10/09/2000 Date Modified: 10/11/2001**