**Private Letter Ruling**

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| **Ruling Number:** | **P-2011-002** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax; Kansas Compensating Tax** |
| **Brief Description:** | **Purchases of software licenses and support services.** |
| **Keywords:** |  |
| **Approval Date:** | **05/02/2011** |

**Body:**

Office of Policy and Research

May 2, 2011

XXXXXXXXXXXX
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Dear XXXXXXXX,

This letter is in response to your letter whereby you inquire whether the purchases by XXXXXXXXXXXX of software licenses and support services from XXXXXXXXX are subject to Kansas Retailers’ Sales Tax or Kansas Consumers’ Compensating Use Tax.

K.S.A. 79-3603(s) imposes sales tax on “the gross receipts received from the sale of prewritten computer software and the sale of the services of modifying, altering, updating or maintaining prewritten computer software, whether the prewritten computer software is installed or delivered electronically by tangible storage media physically transferred to the purchaser or by load and leave.”

In your letter, you state that “[t]he licenses are not for prewritten software” and that “XXXXXX does not receive software from XXXXXXXX in any form or manner (i.e., physical or electronic).” Accordingly, the purchase of the software licenses and support services are not taxable under K.S.A. 79-3603(s).

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 in the future by the operation of law without further department action if there is a change in the statutes, administrative regulations, or case law, or published revenue ruling, that materially effects this private letter ruling.

Sincerely,

Mark D. Ciardullo
Tax Specialist

**Date Composed: 05/10/2011 Date Modified: 05/10/2011**