TO: ALL PRIVATE AND PUBLIC CLUBS IN KANSAS

FROM: JAMES T. McDONALD
DIRECTOR OF REVENUE

Audits and investigations of a number of private and public clubs throughout the state have revealed that considerable misunderstanding exists as to the liability of such organizations for Kansas Sales Tax. As a matter of fact, some serious violations of the law have been discovered. For this reason, the following information is provided:

1. Sales tax should be collected and paid by private and public clubs on:
   a. Dues for memberships if such dues entitle the member to the use of club facilities for a recreation or entertainment. Law effective July 1, 1971.
   b. Gross receipts received from the operation of bingo games or similar games of chance. Law effective July 1, 1970.
   c. Admissions to dances, shows, or other types of entertainment. Law effective June 1, 1937.
   d. Gross receipts received from the operation of a concession of any kind. Law effective June 1, 1937.
   e. Gross receipts from the sales of food or drinks or any kind. Law effective June 1, 1937.
   f. Gross receipts from the sale of indicia of membership, such as caps, lapel buttons, and so forth. Law effective June 1, 1937.

NOTE: This list is not all inclusive but is intended to cover the major areas where failure of compliance with state laws has been found.

2. The sales tax rate is 3% throughout the state except in Topeka, Manhattan, and Lawrence - those three cities the rate is 3 ½%.

James T. McDonald
Director of Revenue

Date Composed: 10/06/1997 Date Modified: 10/10/2001