**Private Letter Ruling**

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| **Ruling Number:** | **P-1998-163** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Definition and application of sales tax to religious organizations.** |
| **Keywords:** |  |
| **Approval Date:** | **09/17/1998** |

**Body:**

Office of Policy & Research

September 17, 1998  
  
  
TTTTTTTTTTT  
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Dear Mr. TTTTTT:  
  
We wish to acknowledge receipt of your letter dated August 25, 1998, regarding the application of Kansas Retailers’ Sales tax.  
  
K.S.A. 79-3606(aaa) exempts from sales tax: “all sales of tangible personal property and services purchased by a religious organization which is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code, and used exclusively for religious purposes.”  
  
For purposes of the Kansas retailers’ sales tax act, “religious organization” shall mean any organization, church, body of communicants, or other group that gathers in common membership for mutual support and edification, in piety, worship, and religious observance, at an established place of worship which the organization maintains for the purpose of conducting regularly scheduled religious services or meetings, and of which no part of the net earnings of such organization inures to the benefit of any private shareholder or individual member. Further, an organization that is composed of religious organizations may derive exemption from its members if all of its members are themselves exempt religious organizations and the derivative organization is organized and operated exclusively to assist its member organizations in carrying out their religious purpose.  
  
Please be advised, that it is the opinion of this office, that TTTTTTTTTTTTTTT does meet the established criteria, as set out in Notice 98-05, to be extended a sales tax exemption as a religious organization, since the organization is carrying out the ministry of the church. However, based upon the information that you presented to this office, there is not a basis to support an exemption from Kansas sales/use tax for the TTTTTTTTTTT, as a religious organization.  
  
It should be noted that in order for a qualified purchase to be made exempt from Kansas sales/use tax, the respective purchase needs to be made directly by TTTTTTTTTTTTTTTT. Therefore, each bill, invoice, contract or other evidence of the transaction shall be made out in the name of TTTTTTTTTTTT, and payment shall be made on a check, warrant or voucher of the exempt entity.  
  
For your convenience, I have enclosed Notice 98-05 entitled, “Sales Taxation of Purchases by Religious Organizations”.  
  
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. If I may be of further assistance, please contact me at your earliest convenience at (785) 296-7776.  
  
Sincerely yours,  
  
  
Thomas P. Browne, Jr.  
Tax Specialist  
  
TPB  
  
Enc  
  
  
**Date Composed: 10/19/1998 Date Modified: 10/10/2001**