**Private Letter Ruling**

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| **Ruling Number:** | **P-1998-45** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Internet Services.** |
| **Keywords:** |  |
| **Effective Date:** | **05/08/1998** |

**Body:**

Office of Policy & Research

May 8, 1998,  
  
  
XXXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXXX  
  
  
Dear Mr. XXXXXXXXX:  
  
The purpose of this letter is to respond to your letter dated April 16, 1998.  
  
You generally stated in your letter:  
  
XXXXXXXXXXXXXXXXXXXXXX is planning to form as a XXXXXXXXXXXXXXXX LLC. Your products are internet services - specifically resale of disk space and access on a server located in XXXXXXX, and design of World Wide Web pages. The product most closely resembles that of an advertising agency. It involves writing in a language understood by computers, the customer does not receive a diskette, CD-ROM or executable program. The sites are accessible only by using a computer connected to the internet. You believe that your services are exempt from sales tax under Kansas Law and requesting a written ruling to verify.  
  
It is the opinion of the Kansas Department of Revenue that the gross receipts from the sale of disk space (storage of information) via a server would not be subject to Kansas retailers’ sales tax.  
  
Sincerely,  
  
  
  
Mark D. Ciardullo  
Tax Specialist  
  
MDC  
  
  
**Date Composed: 05/13/1998 Date Modified: 10/10/2001**