**Private Letter Ruling**

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| **Ruling Number:** | **P-1999-249** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Provision of services: credit reporting, employment verification, sale of insurance, escrow closing fees and appraisal services.** |
| **Keywords:** |  |
| **Approval Date:** | **11/12/1999** |

**Body:**

Office of Policy & Research

November 12, 1999

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Dear Ms. TTTTT:

We wish to acknowledge receipt of your letter dated October 28, 1999, regarding the application of Kansas Retailers’ Sales tax.

K.S.A. 79-3606(q) imposes a sales tax upon: “the gross receipts received for the service of repairing, servicing, altering or maintaining tangible personal property. . .”

Please be advised that services such as, credit reporting, employment verification, the sale of title insurance, escrow closing fees and appraisal services would not be subject to sales tax in the state of Kansas due to the fact that these tasks do not constitute either “servicing” or “maintaining”.

Since, you are providing a nontaxable service, you would need to pay sales tax on all articles of tangible personal property, such as equipment and supplies, purchased to provide the nontaxable service.

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

**Date Composed: 11/29/1999 Date Modified: 10/11/2001**