**Private Letter Ruling**

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| **Ruling Number:** | **P-2001-075** |

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| **Tax Type:** | **Kansas Compensating Tax; Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Limited liability companies.** |
| **Keywords:** |  |
| **Approval Date:** | **07/20/2001** |

**Body:**

Office of Policy & Research  
  
  
July 20, 2001

XXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXX  
  
  
Dear XXXXXXXXXXXXX:  
  
The purpose of this letter is to respond to your letter dated July 3, 2001. In it, you ask if Kansas recognizes a limited liability company as a legal entity for purposes of Kansas sales and compensating taxes.  
  
Per K.S.A. 79-3602. Definitions.

(a) "Persons" means any individual, firm, copartnership, joint adventure, association, corporation, estate or trust, receiver or trustee, or any group or combination acting as a unit, and the plural as well as the singular number; and shall specifically mean any city or other political subdivision of the state of Kansas engaging in a business or providing a service specifically taxable under the provisions of this act.

In your letter you stated:  
  
Does the state of Kansas recognize a single member LLC as a separate and distinct legal entity for sales and use tax purposes? Also, can you cite relevant authority to support your conclusion.  
  
It is the opinion of the Department that Kansas does recognize single member limited liability companies as legal entities for purposes of Kansas sales and compensating taxes. Kansas corporation law authorizes single member limited liability companies*. See K.S.A. 17-7601 et seq.*  
  
This private letter ruling is based solely on the facts provided in your request. If it is determined that undisclosed facts were material or necessary to make an accurate determination by the department, this ruling is null and void. This private letter ruling will be revoked in the future by operation of law without further department action if there is a change in the statutes, administrative regulations, or case law, or a published revenue ruling, that materially affects this private letter ruling.  
  
  
Sincerely,  
  
  
  
Mark D. Ciardullo  
Tax Specialist  
  
MDC  
  
  
**Date Composed: 07/30/2001 Date Modified: 10/10/2001**