**Private Letter Ruling**

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| **Ruling Number:** | **P-2003-025** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Gift bag sales by schools.** |
| **Keywords:** |  |
| **Approval Date:** | **05/02/2003** |

**Body:**

Office of Policy & Research  
  
  
May 2, 2003

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Dear Ms. TTTTTTTT:  
  
  
We wish to acknowledge receipt of your letter dated April 4, 2003, regarding the application of Kansas Retailers’ Sales tax.  
  
K.S.A. 79-3606(a) imposes a sales tax: "upon the gross receipts received from the sale of tangible personal property at retail within this state."  
  
"Gross receipts" means the total selling price or the amount received as defined in the Kansas Retailers' Sales Tax Act, in money, credits, property or other consideration valued in money from sales at retail within this state. The taxpayer may take credit in the report of gross receipts for an amount equal to the allowance given for the trade-in of property.  
  
Please be advised that the gross receipts received from the sale of the gift bags would be subject to the appropriate Kansas sales tax(es), as there is not an applicable exemption. Likewise, the school would be obligated to collect sales tax from spectators who attend sporting events.  
  
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: 05/06/2003 Date Modified: 05/06/2003**