**Private Letter Ruling**

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| **Ruling Number:** | **P-1998-87** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Propane & tanks used for barbecue grills.** |
| **Keywords:** |  |
| **Approval Date:** | **08/21/1998** |

**Body:**

Office of Policy & Research

August 21, 1998

XXXXXXXXXXXXXXXXXX
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Dear XXXXXXXXXXXXX:

The purpose of this letter is to respond to your letter dated July 13, 1998.

In your letter you stated that XXXXXXXXXX is a leading distributor of propane and other related accessories, parts and service. Your company has implemented a new sales program named XXXXXXXX The XXXXXXXXXXX is a tank exchange program, exclusively using the 20lb tanks which are commonly found in outdoor barbecue grills. This program is available at your stores and at third party retailers. The retailers purchase your propane for resale, and make retail sales of propane to consumers.

The sale of propane in 20lb tanks for residential use would be subject to Kansas retailers’ sales tax. The entire transaction including the tank charges whether separately stated or included in the selling price of the propane would be subject to sales tax.

Sincerely,

Mark D. Ciardullo
Tax Specialist

MDC

**Date Composed: 08/31/1998 Date Modified: 10/10/2001**