**Private Letter Ruling**

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| **Ruling Number:** | **P-1999-256** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **PTO fundraising activities.** |
| **Keywords:** |  |
| **Approval Date:** | **11/03/1999** |

**Body:**

Office of Policy & Research

November 3, 1999

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Dear Ms. TTTTT:

We wish to acknowledge receipt of your letter dated January 11, 1999, regarding the application of Kansas Retailers’ Sales tax.

K.S.A. 79-3606(yy) exempts from sales tax: “all sales of tangible personal property and services purchased by a parent-teacher association or organization, and all sales of tangible personal property by or on behalf of such association or organization.”

Please be advised that the tickets that can be exchanged for food and drink by a parent-teacher association or organization would be exempt from sales tax in the state of Kansas. Additionally, the proceeds from the silent auction, if held by or on behalf of a parent-teacher association or organization, would likewise be exempt from Kansas sales tax(es). Further, the sale of school supply kits, t-shirts, yearbooks, geraniums, family portraits, spaghetti supper tickets and book fair sales would not have to have sales tax collected thereon.

Sales of tickets for right to play carnival games, as well as pre-sold bingo pads, by or on behalf of a parent-teacher association or organization, would be subject to the appropriate Kansas sales tax(es). The reason that the latter transaction would be subject to sales tax in this state, is that the statute exempts only the sale of tangible personal property and not the providing of a taxable service.

It should be noted that the parent-teacher association or organization is obligated to remit the Bingo Enforcement tax on the gross receipts received from the sale of the pre-sold bingo cards.

In order to obtain a sales tax refund, proof would have to be submitted to this department that the sales tax has been refunded to your customers.

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: 12/01/1999 Date Modified: 10/11/2001**