**Private Letter Ruling**

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| **Ruling Number:** | **P-1999-50** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Requirements for retailers to maintain exemption certificates.** |
| **Keywords:** |  |
| **Approval Date:** | **03/03/1999** |

**Body:**

Office of Policy & Research  
  
March 3, 1999

XXXX  
XXXX  
XXXX

RE: Your letter received December 14, 1998

Dear XXXX:  
  
I have been asked to answer your letter received in December. In it, you ask whether Kansas allows exemption certificates to be stored as scanned images on electronic media. Your specific questions are:  
  
1. Does the storage of a certificate, or related relevant documents, as an electronic image, able to be reproduced on demand in printed form, meet your State’s requirements for certificate retention?  
2. In the event of any audit proceeding, does the presentation of a printed reproduction of a scanned certificate comply with a request by an official of your department that a company produce a certificate?  
  
Kansas regulations that fix record retention requirements became effective in 1987. These regulations are written in terms of microfilm and microfiche. They do not clearly address electronically stored images. Accordingly, the statutory requirement that vendors have in their “possession a properly executed exemption certificate provided by the consumer claiming exemption” must be construed as requiring vendors to possess either a physical copy or a microfilm or microfiche copy. See K.A.R. 92-19-4a, copy enclosed. We will review this regulation during the next few months to consider whether and how it should be updated. However, until it can be updated, retailers must retail the original paper document or a microfilm or microfiche copy that meets the requirements of K.A.R. 92-19-4a. Please call me if you have any additional questions.

Sincerely,  
  
  
Thomas E. Hatten  
Attorney/Policy & Research

Enclosure  
  
  
**Date Composed: 03/17/1999 Date Modified: 10/11/2001**