**Private Letter Ruling**

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| **Ruling Number:** | **P-2002-062** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Campground and recreation center related charges.** |
| **Keywords:** |  |
| **Approval Date:** | **07/15/2002** |

**Body:**

Office of Policy & Research

July 15, 2002

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XXXX

RE: Your fax of July 11, 2002

Dear XXXX:

Thank you for your recent telephone inquiry. You have a client who operates a campground and recreation center. You submitted an advertising flyer for the campground that lists the activities provided and the charges for each of them. You ask which charges are subject to Kansas sales tax.

The Kansas sales tax act imposes sales tax: (1) on the sale of admission to any place providing amusement, entertainment or recreation, K.S.A. 79-3603(e); (2) generally on fees and charges for participation in sports, K.S.A. 79-3603(m); and (3) generally on dues charged by clubs and businesses which entitles the member to use the club or facility, K.S.A. 79-3603(n). Both K.S.A. 79-3603(m) and K.S.A. 79-3603(n) have certain specific exceptions set out in them that do not apply to your client's business. The Kansas sales tax act also imposes sales on "the gross receipts from the service of renting of rooms by hotels, as defined by K.S.A. 36-501 and amendments thereto, or by accommodation brokers, as defined by K.S.A. 12-1692, and amendments thereto." K.S.A. 36-501 defines the term hotel as " every building or other structure which is kept, used, maintained, advertised or held out to the public as a place where sleeping accommodations are offered for pay primarily to transient guests and win which four or more rooms are used for the accommodation of such guests, regardless of whether such building or structure is designated as a cabin camp, tourist cabin, motel or other type of lodging unit. *(Emphasis added).*

Among the charges on the flyer are charges for miniature golf and roller skating. These charges are for participation is sports and are subject to sales tax under K.S.A. 79-3603(m). The fees for rackets and basketballs are also subject to Kansas sales tax as rental charges.

The flyer lists a category of "Building/Cabin/Hotel Rentals." Charges for these facilities are taxable if they provide sleeping accommodations. From the description given in the flyer, it is clear that sales tax should be charged for the receipts from the hotel, mobile cabins, and three classes of primitive cabin rentals. The flyer indicates that the primitive cabins and mobile cabins sleep from 4 to 30 people. The large and small shelters do not appear to be intended to act as sleeping accommodations and therefore are not subject to sales tax.

The flyer is unclear on whether the charges for the "Campstore Club House" and the "Barn W/Kitchen Facilities" include sleeping accommodations guests. If they do, these charges are subject to sales tax. If not, sales tax should not be collected on them. Please note that you client should register to collect and remit Kansas transient guest tax if it is not currently registered for that tax. I have enclosed a Kansas business tax application booklet to use for that purpose

The daily rates for "Tent" and "RV's" are not subject to Kansas sales tax. The department has ruled in the past that charges for tent sites and RV hookups are not subject to Kansas sales tax. These are not considered to be charges for admission or participation in sports.

I hope that I have answered all of your questions. If not, please call me at 785-296-3081. This private letter ruling is based solely on the facts provided in your request. This is a private letter ruling. 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,

Thomas E. Hatten
Attorney/Policy & Research

Enclosure

**Date Composed: 07/19/2002 Date Modified: 07/23/2002**