**Private Letter Ruling**

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| **Ruling Number:** | **P-2008-008** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Protective apparel.** |
| **Keywords:** |  |
| **Approval Date:** | **11/03/2008** |

**Body:**

Office of Policy & Research

November 3, 2008

XXXXXXXXXXXXXXXXXX
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XXXXXXXXX

Dear XXXXXXXXXX:

We wish to acknowledge receipt of your inquiry of October 28, 2008 regarding the application of Kansas Retailers’ Sales tax. You inquired regarding items of protective apparel.

Several of the apparel items listed in your inquiry were identified as having a coating which allows for the item to be sanitized or washed with solutions to remove bacteria or unwanted pathogens. The coated apparel items were listed as gloves, aprons, sleeves worn over cotton garments and boots. Also identified were protective hair nets worn to avoid contamination that could occur if something fell off an employee. You indicated these items were required by USDA regulations.

K.S.A. 79-3606(kk)(j) provides that purchases of employee apparel are taxable. However, the statute contains an exception for safety and protective apparel when provided by an employer in an integrated production operation. Your business has been defined as cutting existing slabs or quarters of meat into items such as steaks, hamburger etc. It is the Department’s position that the operation described is not an integrated production operation but rather a meat cutting and butchering service. As such the operation would be considered as a retailer rather than a manufacturer.

Retail businesses owe sales and/or use tax as the final consumers of the equipment, fixture, tools, and other items used in the operation of their business. Therefore it is the opinion of the Department of Revenue that the gloves, aprons, sleeves, boots and hair nets utilized by your employees would be taxable.

A subsequent question was also raised concerning machinery used in the business. The machinery identified was a packaging machine used to wrap meat after it is cut up, a machine that makes hamburger patties and a dicer machine that cuts up chunks of meat. These machines are all used in the operation of your retail business and sales tax should be paid on them at the time of purchase.

This private letter ruling is based solely on the facts provided in your request. 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,

Jack Smith
Policy and Research

cc: XXXXXXXXX
XXXXXXXXXXXXXXXXXXX

**Date Composed: 11/05/2008 Date Modified: 11/05/2008**