**Private Letter Ruling**

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| **Ruling Number:** | **P-2000-059** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Taxability of the gross receipts from the sale of discount dining cards.** |
| **Keywords:** |  |
| **Approval Date:** | **11/15/2000** |

**Body:**

Office of Policy & Research  
  
  
November 15, 2000

XXXXXXXXXX  
XXXXXXXXXXXXX  
XXXXXXXXXXXXXXX  
  
  
Dear XXXXXXXXXXX:  
  
The purpose of this letter is to respond to your letter dated August 23, 2000. In it, you request advice on the taxability of the gross receipts from the sale of discount dining cards.  
  
K.S.A. 79-3603(a) imposes a sales tax upon: “The gross receipts received from the sale of tangible personal property at retail within this state. . .”  
  
It is the policy of the Kansas Department of Revenue that an organization engaged in the retail sale of coupons or discount cards (that are redeemable by third party merchants) is the retailer for purposes of the Kansas retailers’ sales tax act. Therefore, the selling organization is required to remit sales tax on their gross receipts.  
  
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 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 effects this private letter ruling.  
  
  
Sincerely,  
  
  
  
Mark D. Ciardullo  
Tax Specialist  
  
  
MDC  
  
  
**Date Composed: 11/16/2000 Date Modified: 10/11/2001**