**Private Letter Ruling**

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| **Ruling Number:** | **P-2001-108** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Sale of coupons or discount cards redeemable by third part merchants.** |
| **Keywords:** |  |
| **Approval Date:** | **10/04/2001** |

**Body:**

Office of Policy & Research  
  
  
October 4, 2001

TTTTTTTTTTT  
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Dear Ms. TTTTTTTTT:  
  
  
We wish to acknowledge receipt of your letter dated September 13, 2001, regarding the application of Kansas Retailers’ Sales Tax.  
  
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. The fundraising information on sales tax needs to be changed, since individual troops enjoy the same sales tax exempt status as the boy and girl scouts councils.  
  
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.

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: 10/08/2001 Date Modified: 10/11/2001**