**Private Letter Ruling**

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| **Ruling Number:** | **P-1998-101** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Leasing space on a computer system.** |
| **Keywords:** |  |
| **Approval Date:** | **08/29/1998** |

**Body:**

Office of Policy & Research

August 29, 1998  
  
  
XXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXX  
  
  
Dear XXXXXXXXXXXXXXX:  
  
The purpose of this letter is to respond to your letter dated June 30, 1998.  
  
You generally stated in your letter:  
  
Your business leases space on your computer system to individuals and other businesses. These individuals and business use this space for a variety of purposes. The most common is to store a message that may be listened to by people calling the number you provided them, to access leased space on your system. How your customers use this space is up to them. You limit the use based on the amount of time that is spent accessing it. Most customers use the space to store information or messages in either fax or voice form. You do not change or act upon or interact with callers that are accessing their space. The only time you interact with customers is when they request a change in how their leased space is configured. When you refer to space you are referring to space on your hard drive not physical space at your business location.  
  
It is the opinion of the Kansas Department of Revenue that the gross receipts from the service you described would not be subject to Kansas retailers’ sales tax.  
  
Sincerely,  
  
  
Mark D. Ciardullo  
Tax Specialist  
  
  
**Date Composed: 09/03/1998 Date Modified: 10/10/2001**