**Private Letter Ruling**

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| **Ruling Number:** | **P-2005-022** |

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| **Tax Type:** | **Kansas Retailers' Sales Tax** |
| **Brief Description:** | **Community Shelter Fund-raisers.** |
| **Keywords:** |  |
| **Approval Date:** | **08/31/2005** |

**Body:**

Office of Policy & Research  
  
  
August 31, 2005

TTTTTTTTTTT  
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Dear Mr. TTTTTT:  
  
  
We wish to acknowledge receipt of your letter dated August 29, 2005, regarding the application of Kansas Retailers’ Sales tax.  
  
Most Kansas non-profit organizations, including the TTTTTTTTTTTTTTTTTTTTT, are not exempt from the requirements of the Kansas retailers’ sales tax act. This means that most of these organizations, including the shelter, must pay sales tax on its purchases and charge sales tax on its taxable sales. Generally, if an organization holds a recurring annual fundraising event, the organization must register, collect and remit sales tax on the taxable sales made at the event. Accordingly, since the shelter holds an annual fundraiser, it is considered to be making recurring sales and must register, collect and remit sales tax on the sales of admission tickets to the fundraiser and on any customer charges for food and sales-taxable drinks.  
  
Sales made at the auction that is held during the fundraiser are also subject to sales tax. The fact these auction sales are taxable is found under the definition of “isolated or occasional sale,” is set forth in K.S.A. 79-3602(j). In this situation, the shelter is engaging in what is considered to be recurring sales, because it holds an annual fundraiser.  
  
This is a private letter ruling pursuant to K.A.R. 92-19-59. It 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 ruling will be revoked in the future by the operation of law without further department action if there is a change in the statutes, administrative regulations, or case law, or 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: 09/14/2005 Date Modified: 09/14/2005**