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B-144504, Feb. 24, 1961

Number: B-144504

Date: 1961-02-24

B-144504, FEB. 24, 1961

TO AUTHORIZED CERTIFYING OFFICER, UNITED STATES DEPARTMENT OF AGRICULTURE, SOIL CONSERVATION SERVICE:

THIS IS IN REFERENCE TO OUR ADVANCE DECISION TO YOU OF JANUARY 27, 1961, B-144504, IN WHICH YOU WERE ADVISED THAT UNDER THE KENTUCKY SALES TAX LAW, THE SALES TAX OF $4.34 INCLUDED ON AN INVOICE OF THE AMERICAN PHOTOCOPY EQUIPMENT COMPANY, WAS A TAX UPON THE VENDOR AND THEREFORE COULD BE CERTIFIED FOR PAYMENT.

DIRECTIVES ISSUED BY THE KENTUCKY STATE TAX AUTHORITIES HAVE COME TO OUR ATTENTION WHICH GRANT AN EXEMPTION FROM THE KENTUCKY RETAIL SALES AND USE TAX LAW TO THE FEDERAL GOVERNMENT ON ALL SALES, EXCEPT SALES OF UTILITIES. THIS EXEMPTION IS EXPLAINED IN CIRCULAR LETTER SU 11, APPROVED BY THE DIRECTOR, INCOME AND SALES DIVISION, AND REGULATION SU-90, APPROVED BY THE COMMISSIONER OF REVENUE, BOTH EFFECTIVE OCTOBER 1, 1960. FEDERAL AGENCIES ARE NOT REQUIRED TO MAKE APPLICATION FOR THE EXEMPTION.

THE EXEMPTION OF THE FEDERAL GOVERNMENT FROM THE KENTUCKY SALES TAX IS BROUGHT TO YOUR ATTENTION FOR FUTURE GUIDANCE, AND NO ACTION NEED BE TAKEN WITH RESPECT TO THE INVOICE WHICH WAS THE SUBJECT OF OUR DECISION OF JANUARY 27, 1961.