

1 ***[As Amended by Senate Committee of the Whole]***

2
3 ***As Further Amended by Senate Committee***

4
5 ***As Amended by Senate Committee***

6
7 ***[As Amended by House Committee of the Whole]***

8
9 ***As Amended by House Committee***

10 *Session of 2001*

11 **HOUSE BILL No. 2221**

12
13 By Committee on Taxation

14
15
16 1-30

17
18 AN ACT relating to sales taxation; authorizing ~~Riley county~~ **[certain**
19 **counties]** to impose countywide tax for economic development initia-
20 tive and infrastructure purposes; **concerning health care service**
21 **sales tax rates**; amending K.S.A. **[79-3611 and K.S.A.]** 2000 Supp.
22 12-187 **[and, 12-189], as amended by section 1 of 2001 Senate Bill**
23 **No. 216, and 12-192** and repealing the existing section-**[sections];**
24 **also repealing K.S.A. 2000 Supp. 12-189 as amended by section**
25 **1 of 2001 Senate Bill No. 253 and 12-192c.**

26
27 *Be it enacted by the Legislature of the State of Kansas:*

28 Section 1. K.S.A. 2000 Supp. 12-187 is hereby amended to read as
29 follows: 12-187. (a) (1) No city shall impose a retailers' sales tax under
30 the provisions of this act without the governing body of such city having
31 first submitted such proposition to and having received the approval of a
32 majority of the electors of the city voting thereon at an election called
33 and held therefor. The governing body of any city may submit the ques-
34 tion of imposing a retailers' sales tax and the governing body shall be
35 required to submit the question upon submission of a petition signed by
36 electors of such city equal in number to not less than 10% of the electors
37 of such city.

38 (2) The governing body of any class B city ~~located in any county which~~
39 ~~does not impose a countywide retailers' sales tax pursuant to paragraph~~
40 ~~(5) of subsection (b)~~ may submit the question of imposing a retailers' sales
41 tax at the rate of .25%, .5%, .75% or 1% and pledging the revenue re-
42 ceived therefrom for the purpose of financing the provision of health care
43 services, as enumerated in the question, to the electors at an election

1 called and held thereon. ~~***The tax imposed pursuant to this paragraph***~~
2 ~~***and the tax imposed pursuant to paragraph (5) of subsection (b) by***~~
3 ~~***any county within which such city is located shall not exceed 1%.***~~

4 The tax imposed pursuant to this paragraph shall be deemed to be in
5 addition to the rate limitations prescribed in K.S.A. 12-189, and amend-
6 ments thereto. As used in this paragraph, health care services shall include
7 but not be limited to the following: Local health departments, city, county
8 or district hospitals, city or county nursing homes, preventive health care
9 services including immunizations, prenatal care and the postponement of
10 entry into nursing homes by home health care services, mental health
11 services, indigent health care, physician or health care worker recruit-
12 ment, health education, emergency medical services, rural health clinics,
13 integration of health care services, home health services and rural health
14 networks.

15 (b) (1) The board of county commissioners of any county may submit
16 the question of imposing a countywide retailers' sales tax to the electors
17 at an election called and held thereon, and any such board shall be re-
18 quired to submit the question upon submission of a petition signed by
19 electors of such county equal in number to not less than 10% of the
20 electors of such county who voted at the last preceding general election
21 for the office of secretary of state, or upon receiving resolutions request-
22 ing such an election passed by not less than $\frac{2}{3}$ of the membership of the
23 governing body of each of one or more cities within such county which
24 contains a population of not less than 25% of the entire population of the
25 county, or upon receiving resolutions requesting such an election passed
26 by $\frac{2}{3}$ of the membership of the governing body of each of one or more
27 taxing subdivisions within such county which levy not less than 25% of
28 the property taxes levied by all taxing subdivisions within the county.

29 (2) The board of county commissioners of Atchison, Barton, Butler,
30 Cowley, Cherokee, Crawford, Ford, Jefferson, Lyon, Montgomery, Ne-
31 osho, Osage, Ottawa, Riley, Saline, Seward, Wabaunsee, Wilson and Wy-
32 andotte counties may submit the question of imposing a countywide re-
33 tailers' sales tax and pledging the revenue received therefrom for the
34 purpose of financing the construction or remodeling of a courthouse, jail,
35 law enforcement center facility or other county administrative facility, to
36 the electors at an election called and held thereon. The tax imposed pur-
37 suant to this paragraph shall expire when sales tax sufficient to pay all of
38 the costs incurred in the financing of such facility has been collected by
39 retailers as determined by the secretary of revenue. Nothing in this par-
40 agraph shall be construed to allow the rate of tax imposed by Butler,
41 Cowley, Lyon, Montgomery, Neosho, Riley or Wilson county pursuant to
42 this paragraph to exceed or be imposed at any rate other than the rates
43 prescribed in K.S.A. 12-189, and amendments thereto.

1 (3) (A) Except as otherwise provided in this paragraph, the result of
2 the election held on November 8, 1988, on the question submitted by
3 the board of county commissioners of Jackson county for the purpose of
4 increasing its countywide retailers' sales tax by 1% is hereby declared
5 valid, and the revenue received therefrom by the county shall be ex-
6 pended solely for the purpose of financing the Banner Creek reservoir
7 project. The tax imposed pursuant to this paragraph shall take effect on
8 the effective date of this act and shall expire not later than five years after
9 such date.

10 (B) The result of the election held on November 8, 1994, on the
11 question submitted by the board of county commissioners of Ottawa
12 county for the purpose of increasing its countywide retailers' sales tax by
13 1% is hereby declared valid, and the revenue received therefrom by the
14 county shall be expended solely for the purpose of financing the erection,
15 construction and furnishing of a law enforcement center and jail facility.

16 (4) The board of county commissioners of Finney and Ford counties
17 may submit the question of imposing a countywide retailers' sales tax at
18 the rate of .25% and pledging the revenue received therefrom for the
19 purpose of financing all or any portion of the cost to be paid by Finney
20 or Ford county for construction of highway projects identified as system
21 enhancements under the provisions of paragraph (5) of subsection (b) of
22 K.S.A. 68-2314, and amendments thereto, to the electors at an election
23 called and held thereon. Such election shall be called and held in the
24 manner provided by the general bond law. The tax imposed pursuant to
25 this paragraph shall expire upon the payment of all costs authorized pur-
26 suant to this paragraph in the financing of such highway projects. Nothing
27 in this paragraph shall be construed to allow the rate of tax imposed by
28 Finney or Ford county pursuant to this paragraph to exceed the maximum
29 rate prescribed in K.S.A. 12-189, and amendments thereto. If any funds
30 remain upon the payment of all costs authorized pursuant to this para-
31 graph in the financing of such highway projects in Finney county, the
32 state treasurer shall remit such funds to the treasurer of Finney county
33 and upon receipt of such moneys shall be deposited to the credit of the
34 county road and bridge fund. If any funds remain upon the payment of
35 all costs authorized pursuant to this paragraph in the financing of such
36 highway projects in Ford county, the state treasurer shall remit such funds
37 to the treasurer of Ford county and upon receipt of such moneys shall
38 be deposited to the credit of the county road and bridge fund.

39 (5) The board of county commissioners of any county may submit the
40 question of imposing a retailers' sales tax at the rate of .25%, .5%, .75%
41 or 1% and pledging the revenue received therefrom for the purpose of
42 financing the provision of health care services, as enumerated in the ques-
43 tion, to the electors at an election called and held thereon. ~~Whenever any~~

1 ~~county imposes a tax pursuant to this paragraph, any tax imposed pursuant~~
2 ~~to paragraph (2) of subsection (a) by any city located in such county shall~~
3 ~~expire upon the effective date of the imposition of the countywide tax,~~
4 ~~and thereafter the state treasurer shall remit to each such city that portion~~
5 ~~of the countywide tax revenue collected by retailers within such city as~~
6 ~~certified by the director of taxation. ***The tax imposed pursuant to this***~~

7 ~~***paragraph and the tax imposed pursuant to paragraph (2) of sub-***~~
8 ~~***section (a) by any city located within the county shall not exceed***~~

9 ~~***1%.***~~ The tax imposed pursuant to this paragraph shall be deemed to be
10 in addition to the rate limitations prescribed in K.S.A. 12-189, and amend-
11 ments thereto. As used in this paragraph, health care services shall include
12 but not be limited to the following: Local health departments, city or
13 county hospitals, city or county nursing homes, preventive health care
14 services including immunizations, prenatal care and the postponement of
15 entry into nursing homes by home care services, mental health services,
16 indigent health care, physician or health care worker recruitment, health
17 education, emergency medical services, rural health clinics, integration of
18 health care services, home health services and rural health networks.

19 (6) The board of county commissioners of Allen county may submit
20 the question of imposing a countywide retailers' sales tax at the rate of
21 .5% and pledging the revenue received therefrom for the purpose of
22 financing the costs of operation and construction of a solid waste disposal
23 area or the modification of an existing landfill to comply with federal
24 regulations to the electors at an election called and held thereon. The tax
25 imposed pursuant to this paragraph shall expire upon the payment of all
26 costs incurred in the financing of the project undertaken. Nothing in this
27 paragraph shall be construed to allow the rate of tax imposed by Allen
28 county pursuant to this paragraph to exceed or be imposed at any rate
29 other than the rates prescribed in K.S.A. 12-189 and amendments
30 thereto.

31 (7) The board of county commissioners of Clay, Dickinson and Miami
32 county may submit the question of imposing a countywide retailers' sales
33 tax at the rate of .50% in the case of Clay and Dickinson county and at a
34 rate of up to 1% in the case of Miami county, and pledging the revenue
35 received therefrom for the purpose of financing the costs of roadway
36 construction and improvement to the electors at an election called and
37 held thereon. The tax imposed pursuant to this paragraph shall expire
38 after five years from the date such tax is first collected.

39 (8) The board of county commissioners of Sherman county may sub-
40 mit the question of imposing a countywide retailers' sales tax at the rate
41 of .25%, .5% or .75% and pledging the revenue therefrom for the purpose
42 of financing the costs of the county roads 64 and 65 construction and
43 improvement project. The tax imposed pursuant to this paragraph shall

1 expire upon payment of all costs authorized pursuant to this paragraph
2 in the financing of such project.

3 (9) The board of county commissioners of Cowley, **[Labette,] ~~Riley,~~**
4 Russell and Woodson county may submit the question of imposing a
5 countywide retailers' sales tax at the rate of .5% in the case of Russell and
6 Woodson county ~~and~~, at a rate of up to .25%, in the case of Cowley county
7 *and at a rate of up to .5% in the case of **[Labette and] ~~Riley~~ county,*** and
8 pledging the revenue received therefrom for the purpose of financing
9 economic development initiatives or public infrastructure projects. The
10 tax imposed pursuant to this paragraph shall expire after ~~five~~ **not more**
11 **than 10** years from the date such tax is first collected.

12 (10) The board of county commissioners of Franklin county may sub-
13 mit the question of imposing a countywide retailers' sales tax at the rate
14 of .25% and pledging the revenue received therefrom for the purpose of
15 financing recreational facilities. The tax imposed pursuant to this para-
16 graph shall expire upon payment of all costs authorized in financing such
17 facilities.

18 (c) The boards of county commissioners of any two or more contigu-
19 uous counties, upon adoption of a joint resolution by such boards, may
20 submit the question of imposing a retailers' sales tax within such counties
21 to the electors of such counties at an election called and held thereon
22 and such boards of any two or more contiguous counties shall be required
23 to submit such question upon submission of a petition in each of such
24 counties, signed by a number of electors of each of such counties where
25 submitted equal in number to not less than 10% of the electors of each
26 of such counties who voted at the last preceding general election for the
27 office of secretary of state, or upon receiving resolutions requesting such
28 an election passed by not less than $\frac{2}{3}$ of the membership of the governing
29 body of each of one or more cities within each of such counties which
30 contains a population of not less than 25% of the entire population of
31 each of such counties, or upon receiving resolutions requesting such an
32 election passed by $\frac{2}{3}$ of the membership of the governing body of each
33 of one or more taxing subdivisions within each of such counties which
34 levy not less than 25% of the property taxes levied by all taxing subdivi-
35 sions within each of such counties.

36 (d) Any city retailers' sales tax in the amount of .5% being levied by
37 a city on July 1, 1990, shall continue in effect until repealed in the manner
38 provided herein for the adoption and approval of such tax or until re-
39 pealed by the adoption of an ordinance so providing. In addition to any
40 city retailers' sales tax being levied by a city on July 1, 1990, any such city
41 may adopt an additional city retailers' sales tax in the amount of .25% or
42 .5%, provided that such additional tax is adopted and approved in the
43 manner provided for the adoption and approval of a city retailers' sales

1 tax. Any countywide retailers' sales tax in the amount of .5% or 1% in
2 effect on July 1, 1990, shall continue in effect until repealed in the manner
3 provided herein for the adoption and approval of such tax.

4 ***[Whenever the question of imposing a retailers' sales tax has been***
5 ***submitted to and approved by the electors of any city or county at***
6 ***or pursuant to an election held prior to the effective date of this act,***
7 ***such tax may be imposed in accordance with the provisions of the***
8 ***law in existence on the date of such election.]***

9 (e) A class D city shall have the same power to levy and collect a city
10 retailers' sales tax that a class A city is authorized to levy and collect and
11 in addition, the governing body of any class D city may submit the ques-
12 tion of imposing an additional city retailers' sales tax in the amount of
13 .125%, .25%, .5% or .75% and pledging the revenue received therefrom
14 for economic development initiatives, strategic planning initiatives or for
15 public infrastructure projects including buildings to the electors at an
16 election called and held thereon. Any additional sales tax imposed pur-
17 suant to this paragraph shall expire no later than ~~five years from the date~~
18 ~~of imposition thereof, except that any such tax imposed by any class D~~
19 ~~city after the effective date of this act shall expire no later than~~ 10 years
20 from the date of imposition thereof.

21 (f) Any city or county proposing to adopt a retailers' sales tax shall
22 give notice of its intention to submit such proposition for approval by the
23 electors in the manner required by K.S.A. 10-120, and amendments
24 thereto. The notices shall state the time of the election and the rate and
25 effective date of the proposed tax. If a majority of the electors voting
26 thereon at such election fail to approve the proposition, such proposition
27 may be resubmitted under the conditions and in the manner provided in
28 this act for submission of the proposition. If a majority of the electors
29 voting thereon at such election shall approve the levying of such tax, the
30 governing body of any such city or county shall provide by ordinance or
31 resolution, as the case may be, for the levy of the tax. Any repeal of such
32 tax or any reduction or increase in the rate thereof, within the limits
33 prescribed by K.S.A. 12-189, and amendments thereto, shall be accom-
34 plished in the manner provided herein for the adoption and approval of
35 such tax except that the repeal of any such city retailers' sales tax may be
36 accomplished by the adoption of an ordinance so providing.

37 (g) The sufficiency of the number of signers of any petition filed
38 under this section shall be determined by the county election officer.
39 Every election held under this act shall be conducted by the county elec-
40 tion officer.

41 (h) The governing body of the city or county proposing to levy any
42 retailers' sales tax shall specify the purpose or purposes for which the
43 revenue would be used, and a statement generally describing such pur-

pose or purposes shall be included as a part of the ballot proposition.

~~{Sec. 2. K.S.A. 2000 Supp. 12-189 is hereby amended to read as follows: 12-189. Except as otherwise provided by paragraph (2) of subsection (a) of K.S.A. 12-187, and amendments thereto, the rate of any class A, class B or class C city retailers' sales tax shall be fixed in the amount of .25%, .5%, .75% or 1% which amount shall be determined by the governing body of the city. Except as otherwise provided by paragraph (2) of subsection (a) of K.S.A. 12-187, and amendments thereto, the rate of any class D city retailers' sales tax shall be fixed in the amount of .25%, .5%, .75%, 1%, 1.125%, 1.25%, 1.5% or 1.75%. The rate of any countywide retailers' sales tax shall be fixed in an amount of either .25%, .5%, .75% or 1% which amount shall be determined by the board of county commissioners, except that:~~

~~—{(a) The board of county commissioners of Wabaunsee county, for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at 1.25%; the board of county commissioners of Osage county, for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at 1.25% or 1.5%; the board of county commissioners of Cherokee, Crawford, Ford, Saline, Seward or Wyandotte county, for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at 1.5%, the board of county commissioners of Atchison county, for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at 1.5% or 1.75% and the board of county commissioners of Barton, Jefferson or Ottawa county, for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at 2%;~~

~~—{(b) the board of county commissioners of Jackson county, for the purposes of paragraph (3) of subsection (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at 2%;~~

~~—{(c) the boards of county commissioners of Finney and Ford counties, for the purposes of paragraph (4) of subsection (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at .25%;~~

~~—{(d) the board of county commissioners of any county for the purposes of paragraph (5) of subsection (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at a percentage which is equal to the sum of the rate allowed to be imposed by a board of county commissioners on the effective date of this act plus .25%, .5%, .75% or 1%, as the case requires;~~

~~—{(e) the board of county commissioners of Dickinson county,~~

1 ~~for the purposes of paragraph (7) of subsection (b) of K.S.A. 12-~~
2 ~~187, and amendments thereto, may fix such rate at 1.5%, and the~~
3 ~~board of county commissioners of Miami county, for the purposes~~
4 ~~of paragraph (7) of subsection (b) of K.S.A. 12 187, and amend-~~
5 ~~ments thereto, may fix such rate at 1.25%, 1.5%, 1.75% or 2%;~~

6 ~~—[(f) the board of county commissioners of Sherman county, for~~
7 ~~the purposes of paragraph (8) of subsection (b) of K.S.A. 12 187,~~
8 ~~and amendments thereto, may fix such rate at 1.5%, 1.75% or 2%;~~

9 ~~—[(g) the board of county commissioners of Russell county for~~
10 ~~the purposes of paragraph (9) of subsection (b) of K.S.A. 12 187,~~
11 ~~and amendments thereto, may fix such rate at 1.5% and the board~~
12 ~~of county commissioners of Labette county for such purposes may fix such~~
13 ~~rate at 1.25% or 1.5%; or~~

14 ~~—[(h) the board of county commissioners of Franklin county, for~~
15 ~~the purposes of paragraph (10) of subsection (b) of K.S.A. 12 187,~~
16 ~~and amendments thereto, may fix such rate at 1.75%.~~

17 ~~—[Any county or city levying a retailers' sales tax is hereby pro-~~
18 ~~hibited from administering or collecting such tax locally, but shall~~
19 ~~utilize the services of the state department of revenue to admin-~~
20 ~~ister, enforce and collect such tax. Except as otherwise specifically~~
21 ~~provided in K.S.A. 12 189a, and amendments thereto, such tax~~
22 ~~shall be identical in its application, and exemptions therefrom, to~~
23 ~~the Kansas retailers' sales tax act and all laws and administrative~~
24 ~~rules and regulations of the state department of revenue relating~~
25 ~~to the Kansas retailers' sales tax shall apply to such local sales tax~~
26 ~~insofar as such laws and rules and regulations may be made ap-~~
27 ~~licable. The state director of taxation is hereby authorized to ad-~~
28 ~~minister, enforce and collect such local sales taxes and to adopt~~
29 ~~such rules and regulations as may be necessary for the efficient~~
30 ~~and effective administration and enforcement thereof.~~

31 ~~—[Upon receipt of a certified copy of an ordinance or resolution~~
32 ~~authorizing the levy of a local retailers' sales tax, the state director~~
33 ~~of taxation shall cause such taxes to be collected within or without~~
34 ~~the boundaries of such taxing subdivision at the same time and in~~
35 ~~the same manner provided for the collection of the state retailers'~~
36 ~~sales tax. All moneys collected by the director of taxation under~~
37 ~~the provisions of this section shall be credited to a county and city~~
38 ~~retailers' sales tax fund which fund is hereby established in the~~
39 ~~state treasury. Any refund due on any county or city retailers' sales~~
40 ~~tax collected pursuant to this act shall be paid out of the sales tax~~
41 ~~refund fund and reimbursed by the director of taxation from col-~~
42 ~~lections of local retailers' sales tax revenue. Except for local re-~~
43 ~~tailers' sales tax revenue required to be deposited in the redevel-~~

~~opment bond fund established under K.S.A. 2000 Supp. 74-8927, and amendments thereto, all local retailers' sales tax revenue collected within any county or city pursuant to this act shall be apportioned and remitted at least quarterly by the state treasurer, on instruction from the director of taxation, to the treasurer of such county or city.~~

~~—[The director of taxation shall provide, upon request by a city or county clerk or treasurer of any city or county levying a local retailers' sales tax, monthly reports identifying each retailer having a place of business in such city or county setting forth the tax liability and the amount of such tax remitted by each retailer during the preceding month and identifying each business location maintained by the retailer within such city or county. Such report shall be made available to the clerk or treasurer of such city or county within a reasonable time after it has been requested from the director of taxation. The director of taxation shall be allowed to assess a reasonable fee for the issuance of such report. Information received by any city or county pursuant to this section shall be confidential, and it shall be unlawful for any officer or employee of such city or county to divulge any such information in any manner. Any violation of this paragraph by a city or county officer or employee is a class B misdemeanor, and such officer or employee shall be dismissed from office.]~~

Sec. 2. K.S.A. 2000 Supp. 12-189, as amended by section 1 of 2001 Senate Bill No. 216, is hereby amended to read as follows: 12-189. Except as otherwise provided by paragraph (2) of subsection (a) of K.S.A. 12-187, and amendments thereto, the rate of any class A, class B or class C city retailers' sales tax shall be fixed in the amount of .10%, .25%, .5%, .75% or 1% which amount shall be determined by the governing body of the city. Except as otherwise provided by paragraph (2) of subsection (a) of K.S.A. 12-187, and amendments thereto, the rate of any class D city retailers' sales tax shall be fixed in the amount of .25%, .5%, .75%, 1%, 1.125%, 1.25%, 1.5% or 1.75%. The rate of any countywide retailers' sales tax shall be fixed in an amount of either .25%, .5%, .75% or 1% which amount shall be determined by the board of county commissioners, except that:

(a) The board of county commissioners of Wabaunsee county, for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at 1.25%; the board of county commissioners of Osage county, for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at 1.25% or 1.5%; the board of county

1 *commissioners of Cherokee, Crawford, Ford, Saline, Seward or Wy-*
2 *andotte county, for the purposes of paragraph (2) of subsection (b)*
3 *of K.S.A. 12-187, and amendments thereto, may fix such rate at*
4 *1.5%, the board of county commissioners of Atchison county, for*
5 *the purposes of paragraph (2) of subsection (b) of K.S.A. 12-187,*
6 *and amendments thereto, may fix such rate at 1.5% or 1.75% and*
7 *the board of county commissioners of Barton, Jefferson or Ottawa*
8 *county, for the purposes of paragraph (2) of subsection (b) of K.S.A.*
9 *12-187, and amendments thereto, may fix such rate at 2%;*

10 *(b) the board of county commissioners of Jackson county, for*
11 *the purposes of paragraph (3) of subsection (b) of K.S.A. 12-187,*
12 *and amendments thereto, may fix such rate at 2%;*

13 *(c) the boards of county commissioners of Finney and Ford*
14 *counties, for the purposes of paragraph (4) of subsection (b) of*
15 *K.S.A. 12-187, and amendments thereto, may fix such rate at .25%;*

16 *(d) the board of county commissioners of any county for the*
17 *purposes of paragraph (5) of subsection (b) of K.S.A. 12-187, and*
18 *amendments thereto, may fix such rate at a percentage which is*
19 *equal to the sum of the rate allowed to be imposed by a board of*
20 *county commissioners on the effective date of this act plus .25%,*
21 *.5%, .75% or 1%, as the case requires;*

22 *(e) the board of county commissioners of Dickinson county, for*
23 *the purposes of paragraph (7) of subsection (b) of K.S.A. 12-187,*
24 *and amendments thereto, may fix such rate at 1.5%, and the board*
25 *of county commissioners of Miami county, for the purposes of par-*
26 *agraph (7) of subsection (b) of K.S.A. 12-187, and amendments*
27 *thereto, may fix such rate at 1.25%, 1.5%, 1.75% or 2%;*

28 *(f) the board of county commissioners of Sherman county, for*
29 *the purposes of paragraph (8) of subsection (b) of K.S.A. 12-187,*
30 *and amendments thereto, may fix such rate at 1.5%, 1.75% or 2%;*

31 *(g) the board of county commissioners of Russell county for the*
32 *purposes of paragraph (9) of subsection (b) of K.S.A. 12-187, and*
33 *amendments thereto, may fix such rate at 1.5% and the board of*
34 *county commissioners of Labette County for such purposes may fix such*
35 *rate at 1.25% or 1.5%; or*

36 *(h) the board of county commissioners of Franklin county, for*
37 *the purposes of paragraph (10) of subsection (b) of K.S.A. 12-187,*
38 *and amendments thereto, may fix such rate at 1.75%.*

39 *Any county or city levying a retailers' sales tax is hereby prohib-*
40 *ited from administering or collecting such tax locally, but shall util-*
41 *ize the services of the state department of revenue to administer,*
42 *enforce and collect such tax. Except as otherwise specifically pro-*
43 *vided in K.S.A. 12-189a, and amendments thereto, such tax shall be*

1 *identical in its application, and exemptions therefrom, to the Kansas*
2 *retailers' sales tax act and all laws and administrative rules and*
3 *regulations of the state department of revenue relating to the Kansas*
4 *retailers' sales tax shall apply to such local sales tax insofar as such*
5 *laws and rules and regulations may be made applicable. The state*
6 *director of taxation is hereby authorized to administer, enforce and*
7 *collect such local sales taxes and to adopt such rules and regulations*
8 *as may be necessary for the efficient and effective administration*
9 *and enforcement thereof.*

10 *Upon receipt of a certified copy of an ordinance or resolution*
11 *authorizing the levy of a local retailers' sales tax, the state director*
12 *of taxation shall cause such taxes to be collected within or without*
13 *the boundaries of such taxing subdivision at the same time and in*
14 *the same manner provided for the collection of the state retailers'*
15 *sales tax. Such copy shall be submitted to the director of taxation*
16 *within 30 days after adoption of any such ordinance or resolution.*
17 *All moneys collected by the director of taxation under the provisions*
18 *of this section shall be credited to a county and city retailers' sales*
19 *tax fund which fund is hereby established in the state treasury. Any*
20 *refund due on any county or city retailers' sales tax collected pur-*
21 *suant to this act shall be paid out of the sales tax refund fund and*
22 *reimbursed by the director of taxation from collections of local re-*
23 *tailers' sales tax revenue. Except for local retailers' sales tax revenue*
24 *required to be deposited in the redevelopment bond fund estab-*
25 *lished under K.S.A. 2000 Supp. 74-8927, and amendments thereto,*
26 *all local retailers' sales tax revenue collected within any county or*
27 *city pursuant to this act shall be apportioned and remitted at least*
28 *quarterly by the state treasurer, on instruction from the director of*
29 *taxation, to the treasurer of such county or city.*

30 *Revenue that is received from the imposition of a local retailers'*
31 *sales tax which exceeds the amount of revenue required to pay the*
32 *costs of a special project for which such revenue was pledged shall*
33 *be credited to the city or county general fund, as the case requires.*

34 *The director of taxation shall provide, upon request by a city or*
35 *county clerk or treasurer of any city or county levying a local re-*
36 *tailers' sales tax, monthly reports identifying each retailer having a*
37 *place of business in such city or county setting forth the tax liability*
38 *and the amount of such tax remitted by each retailer during the*
39 *preceding month and identifying each business location maintained*
40 *by the retailer within such city or county. Such report shall be made*
41 *available to the clerk or treasurer of such city or county within a*
42 *reasonable time after it has been requested from the director of*
43 *taxation. The director of taxation shall be allowed to assess a rea-*

1 **sonable fee for the issuance of such report. Information received by**
2 **any city or county pursuant to this section shall be confidential,**
3 **and it shall be unlawful for any officer or employee of such city or**
4 **county to divulge any such information in any manner. Any viola-**
5 **tion of this paragraph by a city or county officer or employee is a**
6 **class B misdemeanor, and such officer or employee shall be dis-**
7 **missed from office.**

8 **Sec. 3. K.S.A. 2000 Supp. 12-192 is hereby amended to read as**
9 **follows: 12-192. (a) Except as otherwise provided by subsection (b),**
10 **(d) or (h), all revenue received by the director of taxation from a**
11 **countywide retailers' sales tax shall be apportioned among the**
12 **county and each city located in such county in the following man-**
13 **ner: (1) One-half of all revenue received by the director of taxation**
14 **shall be apportioned among the county and each city located in such**
15 **county in the proportion that the total tangible property tax levies**
16 **made in such county in the preceding year for all funds of each such**
17 **governmental unit bear to the total of all such levies made in the**
18 **preceding year, and (2) ½ of all revenue received by the director**
19 **of taxation from such countywide retailers' sales tax shall be ap-**
20 **portioned among the county and each city located in such county,**
21 **first to the county that portion of the revenue equal to the propor-**
22 **tion that the population of the county residing in the unincorpor-**
23 **ated area of the county bears to the total population of the county,**
24 **and second to the cities in the proportion that the population of**
25 **each city bears to the total population of the county, except that no**
26 **persons residing within the Fort Riley military reservation shall be**
27 **included in the determination of the population of any city located**
28 **within Riley county. All revenue apportioned to a county shall be**
29 **paid to its county treasurer and shall be credited to the general fund**
30 **of the county.**

31 **(b) (1) As an alternative and in lieu of the apportionment for-**
32 **mula provided in subsection (a), all revenue received by the direc-**
33 **tor of taxation from a countywide retailers' sales tax imposed within**
34 **Johnson county at the rate of .75% or 1% after the effective date of**
35 **this act may be apportioned among the county and each city located**
36 **in such county in the following manner: (A) The revenue received**
37 **from the first .5% rate of tax shall be apportioned in the manner**
38 **prescribed by subsection (a) and (B) the revenue received from the**
39 **rate of tax exceeding .5% shall be apportioned as follows: (i) One-**
40 **fourth shall be apportioned among the county and each city located**
41 **in such county in the proportion that the total tangible property tax**
42 **levies made in such county in the preceding year for all funds of**
43 **each such governmental unit bear to the total of all such levies made**

1 *in the preceding year and (ii) one-fourth shall be apportioned*
2 *among the county and each city located in such county, first to the*
3 *county that portion of the revenue equal to the proportion that the*
4 *population of the county residing in the unincorporated area of the*
5 *county bears to the total population of the county, and second to*
6 *the cities in the proportion that the population of each city bears*
7 *to the total population of the county and (iii) one-half shall be re-*
8 *tained by the county for its sole use and benefit.*

9 *(2) In lieu of the apportionment formula provided in subsection*
10 *(a), all money received by the director of taxation from a county-*
11 *wide sales tax imposed within Montgomery county pursuant to the*
12 *election held on November 8, 1994, shall be remitted to and shall*
13 *be retained by the county and expended only for the purpose for*
14 *which the revenue received from the tax was pledged. All revenue*
15 *apportioned and paid from the imposition of such tax to the trea-*
16 *surer of any city prior to the effective date of this act shall be re-*
17 *mitted to the county treasurer and expended only for the purpose*
18 *for which the revenue received from the tax was pledged.*

19 *(c) (1) Except as otherwise provided by paragraph (2) of this*
20 *subsection, for purposes of subsections (a) and (b), the term “total*
21 *tangible property tax levies” means the aggregate dollar amount of*
22 *tax revenue derived from ad valorem tax levies applicable to all*
23 *tangible property located within each such city or county. The ad*
24 *valorem property tax levy of any county or city district entity or*
25 *subdivision shall be included within this term if the levy of any such*
26 *district entity or subdivision is applicable to all tangible property*
27 *located within each such city or county.*

28 *(2) For the purposes of subsections (a) and (b), any ad valorem*
29 *property tax levied on property located in a city in Johnson county*
30 *for the purpose of providing fire protection service in such city shall*
31 *be included within the term “total tangible property tax levies” for*
32 *such city regardless of its applicability to all tangible property lo-*
33 *cated within each such city. If the tax is levied by a district which*
34 *extends across city boundaries, for purposes of this computation,*
35 *the amount of such levy shall be apportioned among each city in*
36 *which such district extends in the proportion that such tax levied*
37 *within each city bears to the total tax levied by the district.*

38 *(d) ~~(1)~~ All revenue received from a countywide retailers’ sales*
39 *tax imposed pursuant to paragraphs (2), (5), (6), (7), (8) ~~or~~, (9) or*
40 *(10) of subsection (b) of K.S.A. 12-187, and amendments thereto,*
41 *shall be remitted to and shall be retained by the county and ex-*
42 *pended only for the purpose for which the revenue received from*
43 *the tax was pledged.*

1 ~~(2) Except as otherwise provided in paragraph (5) of subsection (b)~~
2 ~~of K.S.A. 12-187, and amendments thereto, all revenues received from a~~
3 ~~countywide retailers' sales tax imposed pursuant to paragraph (5) of sub-~~
4 ~~section (b) of K.S.A. 12-187, and amendments thereto, shall be remitted~~
5 ~~to and shall be retained by the county and expended only for the purpose~~
6 ~~for which the revenue received from the tax was pledged.~~

7 ***(e) All revenue apportioned to the several cities of the county***
8 ***shall be paid to the respective treasurers thereof and deposited in***
9 ***the general fund of the city. Whenever the territory of any city is***
10 ***located in two or more counties and any one or more of such coun-***
11 ***ties do not levy a countywide retailers' sales tax, or whenever such***
12 ***counties do not levy countywide retailers' sales taxes at a uniform***
13 ***rate, the revenue received by such city from the proceeds of the***
14 ***countywide retailers' sales tax, as an alternative to depositing the***
15 ***same in the general fund, may be used for the purpose of reducing***
16 ***the tax levies of such city upon the taxable tangible property located***
17 ***within the county levying such countywide retailers' sales tax.***

18 ***(f) Prior to March 1 of each year, the secretary of revenue shall***
19 ***advise each county treasurer of the revenue collected in such county***
20 ***from the state retailers' sales tax for the preceding calendar year.***

21 ***(g) Prior to December 31 of each year, the clerk of every county***
22 ***imposing a countywide retailers' sales tax shall provide such infor-***
23 ***mation deemed necessary by the secretary of revenue to apportion***
24 ***and remit revenue to the counties and cities pursuant to this section.***

25 ***(h) The provisions of subsections (a) and (b) for the apportionment***
26 ***of countywide retailers' sales tax shall not apply to any revenues received***
27 ***pursuant to a county or countywide retailers' sales tax levied or collected***
28 ***under K.S.A. 2000 Supp. 74-8929, and amendments thereto. All such rev-***
29 ***enue collected under K.S.A. 2000 Supp. 74-8929, and amendments***
30 ***thereto, shall be deposited into the redevelopment bond fund established***
31 ***by K.S.A. 2000 Supp. 74-8927, and amendments thereto, for the period***
32 ***of time set forth in K.S.A. 2000 Supp. 74-8927, and amendments thereto.***

33 ***[Sec. 4. K.S.A. 79-3611 is hereby amended to read as follows:***
34 ***79-3611. (a) For the purpose of ascertaining the correctness of any***
35 ***return, or for the purpose of determining the amount of tax due from***
36 ***any person engaged in the business of selling tangible personal***
37 ***property at retail, or furnishing services taxable hereunder, the di-***
38 ***rector of taxation, or any officer or employee of the director of tax-***
39 ***ation designated, in writing, may hold investigations and hearings***
40 ***concerning any matters covered by this act, and may examine any***
41 ***books, papers, records, or memoranda bearing upon such sales of***
42 ***any such person, and may require the attendance of such person or***
43 ***any officer or employee of such person, or of any person having***

1 **knowledge of such sales, and may take testimony and require proof**
2 **for its information. In the conduct of any investigation or hearing,**
3 **neither the director nor any officer or employee thereof shall be**
4 **bound by the technical rules of evidence, and no informality in any**
5 **proceeding, or in the manner of taking testimony, shall invalidate**
6 **any order or decision made or approved by the director. The direc-**
7 **tor, or any officer or employee thereof, shall have power to admin-**
8 **ister oaths to such persons.**

9 *[(b) The secretary may issue subpoenas to compel access to or for the*
10 *production of such books, papers, records or memoranda in the custody*
11 *of or to which the taxpayer has access, or to compel the appearance of*
12 *such persons, and may issue interrogatories to any such person to the*
13 *same extent and subject to the same limitations as would apply if the*
14 *subpoena or interrogatories were issued or served in aid of a civil action*
15 *in the district court. The secretary may administer oaths and take depo-*
16 *sitions to the same extent and subject to the same limitations as would*
17 *apply if the deposition was in aid of a civil action in the district court. In*
18 *case of the refusal of any person to comply with any subpoena or inter-*
19 *rogatory or to testify to any matter regarding which such person may be*
20 *lawfully questioned, the district court of any county may, upon applica-*
21 *tion of the secretary, order such person to comply with such subpoena or*
22 *interrogatory or to testify. Failure to obey the court's order may be pun-*
23 *ished by the court as contempt. Subpoenas or interrogatories issued under*
24 *the provisions of this section may be served upon individuals and cor-*
25 *porations in the manner provided in K.S.A. 60-304, and amendments*
26 *thereto, for the service of process by any officer authorized to serve sub-*
27 *poenas in civil actions or by the secretary.]*

28 **Sec. ~~2.~~ ~~[3.]~~ ~~4.~~ [5.] K.S.A. [79-3611 and K.S.A.] 2000 Supp. 12-187**
29 **is ~~and, 12-189, as amended by section 1 of 2001 Senate Bill No.~~**
30 **~~216, 12-189 as amended by section 1 of 2001 Senate Bill No. 253,~~**
31 **~~12-192 and 12-192c are]~~ hereby repealed.**

32 **Sec. ~~3.~~ ~~[4.]~~ ~~5.~~ [6.]** This act shall take effect and be in force from and
33 after its publication in the statute book.

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