

SENATE BILL No. 146

AN ACT relating to the economic development of certain political subdivisions; amending K.S.A. 2000 Supp. 74-50,115 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2000 Supp. 74-50,115 is hereby amended to read as follows: 74-50,115. (a) A manufacturing business may be eligible for a sales tax exemption under the provisions of subsection (cc) of K.S.A. 79-3606, and amendments thereto, if the manufacturing business complies with the following requirements:

(1) A manufacturing business shall provide documented evidence of job expansion involving the employment of at least two additional full-time employees; and

(2) a manufacturing business located within the state of Kansas that has documented evidence of job expansion as provided in paragraph (1), which relocates in another city or county within the state of Kansas must receive approval from the secretary prior to qualifying for the sales tax exemption in subsection (cc) of K.S.A. 79-3606, and amendments thereto, except that approval by the secretary shall not be required if the manufacturing business relocates within the same city.

(b) A nonmanufacturing business may be eligible for a sales tax exemption under the provisions of subsection (cc) of K.S.A. 79-3606, and amendments thereto, if the nonmanufacturing business complies with the following requirements:

(1) A nonmanufacturing business shall provide documented evidence of job expansion involving the employment of at least five additional full-time employees; and

(2) a nonmanufacturing business located within the state of Kansas that has documented evidence of job expansion as provided in paragraph (1), which relocates in another city or county within the state of Kansas must receive approval from the secretary prior to qualifying for the sales tax exemption in subsection (cc) of K.S.A. 79-3606, and amendments thereto, except that approval by the secretary shall not be required if the nonmanufacturing business relocates within the same city.

(c) A retail business may qualify for the sales tax exemption under subsection (cc) of K.S.A. 79-3606, and amendments thereto, if the retail business complies with the following requirements:

(1) A retail business shall provide documented evidence of job expansion involving the employment of at least two additional full-time employees; and

(2) (A) such retail business locates or expands to a city having a population of 2,500 or less, as determined by the latest United States federal census, or (B) such retail business locates or expands prior to July 1, 2004, to a location outside a city in a county having a population of 10,000 or less, as determined by the latest United States federal census.

(d) Any person constructing, reconstructing, remodeling or enlarging a facility which will be leased in whole or in part for a period of five years or more to a business that would be eligible for a sales tax exemption hereunder if such business had constructed, reconstructed, enlarged or remodeled such facility or portion thereof itself shall be entitled to the sales tax exemption under the provisions of subsection (cc) of K.S.A. 79-3606, and amendments thereto. When such person leases less than the total facility to an eligible business, a project exemption certificate may be granted on: (1) The total cost of constructing, reconstructing, remodeling or enlarging, the facility multiplied by a fraction given by dividing the number of leased square feet eligible for the sales tax exemption by the total square feet being constructed, reconstructed, remodeled or enlarged; or (2) the actual cost of constructing, reconstructing, remodeling or enlarging that portion of the facility to be occupied by the eligible business, as the person may elect.

(e) A business may qualify for a sales tax exemption under subsection (cc) of K.S.A. 79-3606, and amendments thereto, without regard to any of the foregoing requirements of this section if it is certified as a qualified firm by the secretary of commerce and housing pursuant to K.S.A. 2000 Supp. 74-50,131, and amendments thereto, and is entitled to the corporate tax credit established in K.S.A. 2000 Supp. 74-50,132, and amendments thereto, or has received written approval for participation and has participated, during the tax year in which the exemption is claimed, in training assistance by the department of commerce and housing under

the Kansas industrial training, Kansas industrial retraining or state of Kansas investments in lifelong learning program.

(f) The secretary may adopt rules and regulations to implement and administer the provisions of this section.

New Sec. 2. (a) No political subdivision of this state, including but not limited to a county, municipality or township, shall enact, maintain or enforce any ordinance or resolution that would have the effect of controlling the amount of rent charged for leasing private residential or commercial property.

(b) This section shall not impair the right of any local unit of government to manage and control residential property in which such local unit of government has a property interest.

Sec. 3. K.S.A. 2000 Supp. 74-50,115 is hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the SENATE, and passed that body

SENATE concurred in
HOUSE amendments _____

President of the Senate.

Secretary of the Senate.

Passed the HOUSE
as amended _____

Speaker of the House.

Chief Clerk of the House.

APPROVED _____

Governor.