

## SENATE BILL No. 320

By Committee on Ways and Means

2-13

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AN ACT concerning sales tax; providing for rebates to certain not-for-profit corporations.

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

Section 1. (a) A Kansas corporation chartered pursuant to section 501(c)(3) of the federal internal revenue code of 1986 for the purpose of establishing and maintaining a public educational attraction as mandated in its formal mission statement may qualify for a rebate of certain taxes paid pursuant to K.S.A. 79-3601 *et seq.*, and amendments thereto, by satisfying the following conditions:

(1) The corporation shall notify the secretary of commerce and housing, in a form satisfactory to the secretary, that the corporation intends to make capital improvements for the purpose of upgrading, improving or expanding their educational attraction.

(2) The corporation shall notify the secretary of revenue, in a form and manner prescribed by the secretary of the corporation's intent to qualify for the tax rebates provided pursuant to this act. The secretary shall identify and isolate all taxes paid by such corporation pursuant to K.S.A. 79-3601 *et seq.*, and amendments thereto. Such rebate shall not exceed the amount of the taxes paid.

(3) The corporation shall file a statement with the secretary in which the corporation agrees to the following:

(A) The corporation shall provide at least \$.50 for every dollar of rebated taxes received. Such matching funds may be provided from any source other than state revenues.

(B) The corporation shall expend all rebated funds on capital improvements that will directly enhance the facility as a public educational attraction. Accepted improvements include building construction, exhibit, theater and educational facilities and program development, environmental and safety upgrades to public access areas including lighting, sidewalks, heating and air-conditioning and weatherproofing. Such funds shall not be expended on general operating expenses or routine maintenance.

(C) The corporation shall provide an annual audit or an agreed upon procedures limited audit demonstrating that all funds have been expended in accordance with this act, and amendments thereto.

1 (b) After receiving the notification required pursuant to subsection  
2 (a)(1), the secretary of commerce and housing shall certify to the secretary  
3 of revenue that the corporation is eligible for a rebate of taxes paid pur-  
4 suant to K.S.A. 79-3601 *et seq.*, and amendments thereto in an amount  
5 equal to twice the amount pledged by the corporation pursuant to sub-  
6 section (a)(3).

7 (c) Within 30 days of receiving notification pursuant to subsection  
8 (a)(2) and the certification required pursuant to subsection (b), the sec-  
9 retary of revenue shall cause all such taxes properly identified as having  
10 been paid by the corporation to be refunded to the taxpayer.

11 (d) Any taxing entity levying taxes pursuant to K.S.A. 12-187, and  
12 amendments thereto, may provide a rebate by adopting similar proce-  
13 dures to those provided herein.

14 Sec. 2. This act shall take effect and be in force from and after its  
15 publication in the statute book.

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