

HOUSE BILL No. 2025

By Committee on Taxation

1-16

AN ACT concerning franchise taxes; relating to certain business entities; rates and maximums; amending K.S.A. 2002 Supp. 17-2036, 17-7503, 17-7505, 17-76,139, 56-1a606, 56-1a607, 56a-1201 and 56a-1202 and repealing the existing sections.

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

Section 1. K.S.A. 2002 Supp. 17-2036 is hereby amended to read as follows: 17-2036. Every business trust shall make an annual report in writing to the secretary of state, showing its financial condition at the close of business on the last day of its tax period under the Kansas income tax act next preceding the date of filing, but if a business trust's tax period is other than the calendar year, it shall give notice thereof to the secretary of state prior to December 31 of the year it commences such tax period. The reports shall be made on forms provided by the secretary of state and shall be filed at the time prescribed by law for filing the business trust's annual Kansas income tax return, except that if any such business trust shall receive an extension of time for filing its annual income tax return from the internal revenue service or pursuant to subsection (c) of K.S.A. 79-3221, and amendments thereto, the time for filing the report hereunder shall be extended, correspondingly, upon filing with the secretary of state a copy of the extension granted by the internal revenue service or the director of taxation. The report shall contain the following:

(a) Executed copies of all amendments to the instrument by which the business trust was created, or to prior amendments thereto, which have been adopted and have not theretofore been filed under K.S.A. 17-2033, and amendments thereto, and accompanied by the fee prescribed therein for each such amendment;

(b) a verified list of the names and addresses of its trustees as of the end of its tax period; and

(c) a balance sheet as of the end of its tax period, certified by the trustee, fairly and truly reflecting its assets and liabilities and specifically setting out its corpus, and, in the case of a foreign business trust, fairly and truly reflecting an allocation of its moneys and other assets as between those located, used, or to be used in this state and those located, used or to be used elsewhere.

1 At the time of filing its annual report, the business trust shall pay to
2 the secretary of state an annual franchise tax in an amount equal to ~~\$2~~ \$1
3 for each \$1,000 of its corpus as shown by its balance sheet, or, in the case
4 of a foreign business trust, in an amount equal to ~~\$2~~ \$1 for each \$1,000
5 of that portion of its corpus which is located in or which it uses or intends
6 to use in this state as shown by its balance sheet, except that in any case
7 no such tax shall be less than \$40 nor more than ~~\$5,000~~ \$10,000.

8 The failure of any domestic or foreign business trust to file its annual
9 report and pay its annual franchise tax within 90 days from the date on
10 which they are due, as aforesaid, shall work a forfeiture of its authority
11 to transact business in this state and all of the remedies, procedures, and
12 penalties specified in K.S.A. 17-7509 and 17-7510, and amendments
13 thereto, with respect to a corporation which fails to file its annual report
14 or pay its annual franchise tax within 90 days after they are due, shall be
15 applicable to such business trust.

16 Sec. 2. K.S.A. 2002 Supp. 17-7503 is hereby amended to read as
17 follows: 17-7503. (a) Every domestic corporation organized for profit shall
18 make an annual report in writing to the secretary of state, stating the
19 prescribed information concerning the corporation at the close of busi-
20 ness on the last day of its tax period next preceding the date of filing, but
21 if a corporation's tax period is other than the calendar year, it shall give
22 notice thereof to the secretary of state prior to December 31 of the year
23 it commences such tax period. The reports shall be made on forms pre-
24 scribed by the secretary of state. The report shall be filed at the time
25 prescribed by law for filing the corporation's annual Kansas income tax
26 return, except that if any such corporation shall apply for an extension of
27 time for filing its annual income tax return under the internal revenue
28 service or under subsection (c) of K.S.A. 79-3221, and amendments
29 thereto, such corporation shall also apply, not more than 90 days after
30 the due date of its annual report, to the secretary of state for an extension
31 of the time for filing the report and an extension shall be granted for a
32 period of time corresponding to that granted under the internal revenue
33 code or K.S.A. 79-3221, and amendments thereto. Such application shall
34 include a copy of the application to income tax authorities. The report
35 shall contain the following information:

- 36 (1) The name of the corporation;
- 37 (2) the location of the principal office;
- 38 (3) the names of the president, secretary, treasurer and members of
39 the board of directors, with the residence address of each;
- 40 (4) the number of shares of capital stock issued and the amount of
41 capital stock paid up;
- 42 (5) the nature and kind of business in which the corporation is en-
43 gaged; and

1 (6) a list of stockholders owning at least 5% of the capital stock of the
2 corporation, with the post office address of each.

3 (b) Every corporation subject to the provisions of this section which
4 holds agricultural land, as defined in K.S.A. 17-5903, and amendments
5 thereto, within this state shall show the following additional information
6 on the report:

7 (1) The acreage and location listed by section, range, township and
8 county of each lot, tract or parcel of agricultural land in this state owned
9 or leased by or to the corporation;

10 (2) the purposes for which such agricultural land is owned or leased
11 and, if leased, to whom such agricultural land is leased;

12 (3) the value of the nonagricultural assets and the agricultural assets,
13 stated separately, owned and controlled by the corporation both within
14 and without the state of Kansas and where situated;

15 (4) the total number of stockholders of the corporation;

16 (5) the number of acres owned or operated by the corporation, the
17 number of acres leased by the corporation and the number of acres leased
18 to the corporation;

19 (6) the number of acres of agricultural land, held and reported in
20 each category under provision (5), state separately, being irrigated; and

21 (7) whether any of the agricultural land held and reported under this
22 subsection was acquired after July 1, 1981.

23 (c) The report shall be signed by its president, secretary, treasurer or
24 other officer duly authorized so to act, or by any two of its directors, or
25 by an incorporator in the event its board of directors shall not have been
26 elected. The fact that an individual's name is signed on such report shall
27 be prima facie evidence that such individual is authorized to sign the
28 report on behalf of the corporation; however, the official title or position
29 of the individual signing the report shall be designated. This report will
30 be dated and subscribed by the person as true, under penalty of perjury.
31 At the time of filing such annual report it shall be the duty of each do-
32 mestic corporation organized for profit to pay to the secretary of state an
33 annual franchise tax in an amount equal to ~~\$2~~ \$1 for each \$1,000 of the
34 corporation's shareholder's equity attributable to Kansas, except that no
35 such tax shall be less than \$40 or more than ~~\$5,000~~ \$10,000. The amount
36 of any such franchise tax paid by the corporation to the secretary as pro-
37 vided by this subsection shall not be disclosed by the secretary.

38 Sec. 3. K.S.A. 2002 Supp. 17-7505 is hereby amended to read as
39 follows: 17-7505. (a) Every foreign corporation organized for profit, or
40 organized under the cooperative type statutes of the state, territory or
41 foreign country of incorporation, now or hereafter doing business in this
42 state, and owning or using a part or all of its capital in this state, and
43 subject to compliance with the laws relating to the admission of foreign

1 corporations to do business in Kansas, shall make an annual report in
2 writing to the secretary of state, stating the prescribed information con-
3 cerning the corporation at the close of business on the last day of its tax
4 period next preceding the date of filing, but if a corporation operates on
5 a fiscal year other than the calendar year it shall give written notice thereof
6 to the secretary of state prior to December 31 of the year commencing
7 such fiscal year. The report shall be made on a form prescribed by the
8 secretary of state. The report shall be filed at the time prescribed by law
9 for filing the corporation's annual Kansas income tax return, except that
10 if any such corporation shall apply for an extension of time for filing its
11 annual income tax return under the internal revenue service or under
12 subsection (c) of K.S.A. 79-3221, and amendments thereto, such corpo-
13 ration shall also apply, not more than 90 days after the due date of its
14 annual report, to the secretary of state for an extension of the time for
15 filing the report and an extension shall be granted for a period of time
16 corresponding to that granted under the internal revenue code or K.S.A.
17 79-3221, and amendments thereto. Such application shall include a copy
18 of the application to income tax authorities. The report shall contain the
19 following facts:

20 (1) The name of the corporation and under the laws of what state or
21 country organized;

22 (2) the location of its principal office;

23 (3) the names of the president, secretary, treasurer and members of
24 the board of directors, with the residence address of each;

25 (4) the number of shares of capital stock issued and the amount of
26 capital stock paid up;

27 (5) the nature and kind of business in which the company is engaged
28 and its place or places of business both within and without the state of
29 Kansas;

30 (6) the value of the property owned and used by the company in
31 Kansas, where situated, and the value of the property owned and used
32 outside of Kansas and where situated; and

33 (7) the corporation's shareholder's equity attributable to Kansas.

34 (b) Every corporation subject to the provisions of this section which
35 holds agricultural land, as defined in K.S.A. 17-5903, and amendments
36 thereto, within this state shall show the following additional information
37 on the report:

38 (1) The acreage and location listed by section, range, township and
39 county of each lot, tract or parcel of agricultural land in this state owned
40 or leased by or to the corporation;

41 (2) the purposes for which such agricultural land is owned or leased
42 and, if leased, to whom such agricultural land is leased;

43 (3) the value of the nonagricultural assets and the agricultural assets,

1 stated separately, owned and controlled by the corporation both within
2 and without the state of Kansas and where situated;

3 (4) the total number of stockholders of the corporation;

4 (5) the number of acres owned or operated by the corporation, the
5 number of acres leased by the corporation and the number of acres leased
6 to the corporation;

7 (6) the number of acres of agricultural land, held and reported in
8 each category under paragraph (5) of this subsection (b), stated sepa-
9 rately, being irrigated; and

10 (7) whether any of the agricultural land held and reported under this
11 subsection was acquired after July 1, 1981.

12 The report shall be signed by its president, secretary, treasurer or other
13 officer duly authorized so to act, or by any two of its directors, or by an
14 incorporator in the event its board of directors shall not have been
15 elected. The fact that an individual's name is signed on such report shall
16 be prima facie evidence that such individual is authorized to sign the
17 report on behalf of the corporation; however, the official title or position
18 of the individual signing the report shall be designated. This report will
19 be dated and subscribed by the person as true, under penalty of perjury.
20 At the time of filing its annual report, each such foreign corporation shall
21 pay to the secretary of state an annual franchise tax in an amount equal
22 to ~~\$2~~ \$1 for each \$1,000 of the corporation's shareholder's equity attrib-
23 utable to Kansas, except that no such tax shall be less than \$40 or more
24 than ~~\$5,000~~ \$10,000. The amount of any such franchise tax paid by the
25 foreign corporation to the secretary as provided by this subsection shall
26 not be disclosed by the secretary.

27 Sec. 4. K.S.A. 2002 Supp. 17-76,139 is hereby amended to read as
28 follows: 17-76,139. (a) Every limited liability company organized under
29 the laws of this state shall make an annual report in writing to the secretary
30 of state, stating the prescribed information concerning the limited liability
31 company at the close of business on the last day of its tax period next
32 preceding the date of filing. If the limited liability company's tax period
33 is other than the calendar year, it shall give notice of its different tax
34 period in writing to the secretary of state prior to December 31 of the
35 year it commences the different tax period. The annual report shall be
36 filed at the time prescribed by law for filing the limited liability company's
37 annual Kansas income tax return. If the limited liability company applies
38 for an extension of time for filing its annual income tax return under the
39 internal revenue code, the limited liability company shall also apply, not
40 more than 90 days after the due date of its annual report, to the secretary
41 of state for an extension of the time for filing its report and an extension
42 shall be granted for a period of time corresponding to that granted under
43 the internal revenue code. The application shall include a copy of the

1 application to income tax authorities. The annual report shall be made on
2 a form prescribed by the secretary of state. The report shall contain the
3 following information:

4 (1) The name of the limited liability company; and

5 (2) a list of the members owning at least 5% of the capital of the
6 company, with the post office address of each.

7 (b) Every foreign limited liability company shall make an annual re-
8 port in writing to the secretary of state, stating the prescribed information
9 concerning the limited liability company at the close of business on the
10 last day of its tax period next preceding the date of filing. If the limited
11 liability company's tax period is other than the calendar year, it shall give
12 notice in writing of its different tax period to the secretary of state prior
13 to December 31 of the year it commences the different tax period. The
14 annual report shall be filed at the time prescribed by law for filing the
15 limited liability company's annual Kansas income tax return. If the limited
16 liability company applies for an extension of time for filing its annual
17 income tax return under the internal revenue code, the limited liability
18 company also shall apply, not more than 90 days after the due date of its
19 annual report, to the secretary of state for an extension of the time for
20 filing its report and an extension shall be granted for a period of time
21 corresponding to that granted under the internal revenue code. The ap-
22 plication shall include a copy of the application to income tax authorities.
23 The annual report shall be made on a form prescribed by the secretary
24 of state. The report shall contain the name of the limited liability
25 company.

26 (c) The annual report required by this section shall be signed by a
27 member of the limited liability company and forwarded to the secretary
28 of state. At the time of filing the report, the limited liability company shall
29 pay to the secretary of state an annual franchise tax in an amount equal
30 to ~~\$2~~ \$1 for each \$1,000 of the net capital accounts located in or used in
31 this state at the end of the preceding taxable year as required to be re-
32 ported on the federal partnership return of income, or for a one-member
33 LLC taxed as a sole proprietorship, ~~\$2~~ \$1 for each \$1,000 of net book
34 value of the LLC as calculated on an income tax basis located in or used
35 in this state at the end of the preceding taxable year, except that no annual
36 tax shall be less than \$40 or more than ~~\$5,000~~ \$10,000. The amount of
37 any such franchise tax paid by the limited liability company to the sec-
38 retary as provided by this subsection shall not be disclosed by the
39 secretary.

40 (d) The provisions of K.S.A. 17-7509, and amendments thereto, re-
41 lating to penalties for failure of a corporation to file an annual report or
42 pay the required franchise tax, and the provisions of subsection (a) of
43 K.S.A. 17-7510 and amendments thereto, relating to penalties for failure

1 of a corporation to file an annual report or pay the required franchise tax,
2 shall be applicable to the articles of organization of any domestic limited
3 liability company or to the authority of any foreign limited liability com-
4 pany which fails to file its annual report or pay the franchise tax within
5 90 days of the time prescribed in this section for filing and paying the
6 same. Whenever the articles of organization of a domestic limited liability
7 company or the authority of any foreign limited liability company are
8 forfeited for failure to file an annual report or to pay the required fran-
9 chise tax, the domestic limited liability company or the authority of a
10 foreign limited liability company may be reinstated by filing a certificate
11 of reinstatement, in the manner and form to be prescribed by the sec-
12 retary of state and paying to the secretary of state all fees and taxes,
13 including any penalties thereon, due to the state. The fee for filing a
14 certificate of reinstatement shall be the same as that prescribed by K.S.A.
15 17-7506, and amendments thereto, for filing a certificate of extension,
16 restoration, renewal or revival of a corporation's articles of incorporation.

17 (e) When reinstatement is effective, it relates back to and takes effect
18 as of the effective date of the forfeiture and the company may resume its
19 business as if the forfeiture had never occurred.

20 (f) No limited liability company shall be required to file its first annual
21 report under this act, or pay any annual franchise tax required to accom-
22 pany such report, unless such limited liability company has filed its articles
23 of organization or application for authority at least six months prior to the
24 last day of its tax period. If any limited liability company files with the
25 secretary of state a notice of change in its tax period and the next annual
26 report filed by such limited liability company subsequent to such notice
27 is based on a tax period of less than 12 months, the annual tax liability
28 shall be determined by multiplying the annual franchise tax liability for
29 such year by a fraction, the numerator of which is the number of months
30 or any portion thereof covered by the annual report and the denominator
31 of which is 12, except that the tax shall not be less than \$40.

32 Sec. 5. K.S.A. 2002 Supp. 56-1a606 is hereby amended to read as
33 follows: 56-1a606. (a) Every limited partnership organized under the laws
34 of this state shall make an annual report in writing to the secretary of
35 state, stating the prescribed information concerning the limited partner-
36 ship at the close of business on the last day of its tax period next preceding
37 the date of filing. If the limited partnership's tax period is other than the
38 calendar year, it shall give notice of its different tax period to the secretary
39 of state prior to December 31 of the year it commences the different tax
40 period. The annual report shall be filed at the time prescribed by law for
41 filing the limited partnership's annual Kansas income tax return. If the
42 limited partnership applies for an extension of time for filing its annual
43 income tax return under the internal revenue code or under K.S.A. 79-

1 3221 and amendments thereto, the limited partnership shall also apply,
2 not more than 90 days after the due date of its annual report, to the
3 secretary of state for an extension of the time for filing its report and an
4 extension shall be granted for a period of time corresponding to that
5 granted under the internal revenue code or K.S.A. 79-3221 and amend-
6 ments thereto. The application shall include a copy of the application to
7 income tax authorities.

8 (b) The annual report shall be made on a form prescribed by the
9 secretary of state. The report shall contain the following information:

10 (1) The name of the limited partnership; and

11 (2) a list of the partners owning at least 5% of the capital of the
12 partnership, with the post office address of each.

13 (c) Every limited partnership subject to the provisions of this section
14 which is a limited corporate partnership, as defined in K.S.A. 17-5903
15 and amendments thereto, and which holds agricultural land, as defined
16 in K.S.A. 17-5903 and amendments thereto, within this state shall show
17 the following additional information on the report:

18 (1) The number of acres and location, listed by section, range, town-
19 ship and county of each lot, tract or parcel of agricultural land in this state
20 owned or leased by the limited partnership; and

21 (2) whether any of the agricultural land held and reported under sub-
22 section (c)(1) was acquired after July 1, 1981.

23 (d) The annual report shall be signed by the general partner or part-
24 ners of the limited partnership, sworn to before an officer duly authorized
25 to administer oaths and forwarded to the secretary of state. At the time
26 of filing the report, the limited partnership shall pay to the secretary of
27 state an annual franchise tax in an amount equal to ~~\$2~~ \$1 for each \$1,000
28 of the partners' net capital accounts located in or used in this state at the
29 end of the preceding taxable year as required to be reported on the fed-
30 eral partnership return of income, except that no annual tax shall be less
31 than \$40 or more than ~~\$5,000~~ \$10,000. The amount of any such franchise
32 tax paid by the limited partnership to the secretary as provided by this
33 subsection shall not be disclosed by the secretary.

34 (e) The provisions of K.S.A. 17-7509 and amendments thereto, re-
35 lating to penalties for failure of a corporation to file an annual report or
36 pay the required franchise tax, and the provisions of subsection (a) of
37 K.S.A. 17-7510 and amendments thereto, relating to forfeiture of a do-
38 mestic corporation's articles of incorporation for failure to file an annual
39 report or pay the required franchise tax, shall be applicable to the certifi-
40 cate of partnership of any limited partnership which fails to file its annual
41 report or pay the franchise tax within 90 days of the time prescribed in
42 this section for filing and paying the same. Whenever the certificate of
43 partnership of a limited partnership is forfeited for failure to file an annual

1 report or to pay the required franchise tax, the limited partnership may
2 be reinstated by filing a certificate of reinstatement, in the manner and
3 form to be prescribed by the secretary of state and paying to the secretary
4 of state all fees and taxes, including any penalties thereon, due to the
5 state. The fee for filing a certificate of reinstatement shall be the same as
6 that prescribed by K.S.A. 17-7506 and amendments thereto for filing a
7 certificate of extension, restoration, renewal or revival of a corporation's
8 articles of incorporation.

9 Sec. 6. K.S.A. 2002 Supp. 56-1a607 is hereby amended to read as
10 follows: 56-1a607. (a) Every foreign limited partnership shall make an
11 annual report in writing to the secretary of state, stating the prescribed
12 information concerning the limited partnership at the close of business
13 on the last day of its tax period next preceding the date of filing. If the
14 limited partnership's tax period is other than the calendar year, it shall
15 give notice of its different tax period to the secretary of state prior to
16 December 31 of the year it commences the different tax period. The
17 annual report shall be filed at the time prescribed by law for filing the
18 limited partnership's annual Kansas income tax return. If the limited part-
19 nership applies for an extension of time for filing its annual income tax
20 return under the internal revenue code or under K.S.A. 79-3221 and
21 amendments thereto, the limited partnership shall also apply, not more
22 than 90 days after the due date of its annual report, to the secretary of
23 state for an extension of the time for filing its report and an extension
24 shall be granted for a period of time corresponding to that granted under
25 the internal revenue code or K.S.A. 79-3221 and amendments thereto.
26 The application shall include a copy of the application to income tax
27 authorities.

28 (b) The annual report shall be made on a form prescribed by the
29 secretary of state. The report shall contain the name of the limited
30 partnership.

31 (c) Every foreign limited partnership subject to the provisions of this
32 section which is a limited corporate partnership, as defined in K.S.A. 17-
33 5903 and amendments thereto, and which holds agricultural land, as de-
34 fined in K.S.A. 17-5903 and amendments thereto, within this state shall
35 show the following additional information on the report:

36 (1) The number of acres and location, listed by section, range, town-
37 ship and county of agricultural land in this state owned or leased by the
38 limited partnership; and

39 (2) whether any of the agricultural land held and reported under sub-
40 section (c)(1) was acquired after July 1, 1981.

41 (d) The annual report shall be signed by the general partner or part-
42 ners of the limited partnership, sworn to before an officer duly authorized
43 to administer oaths and forwarded to the secretary of state. At the time

1 of filing the report, the foreign limited partnership shall pay to the sec-
2 retary of state an annual franchise tax in an amount equal to ~~\$2~~ \$1 for
3 each \$1,000 of the partners' net capital accounts located in or used in this
4 state at the end of the preceding taxable year as required to be reported
5 on the federal partnership return of income, except that no annual tax
6 shall be less than \$40 or more than ~~\$5,000~~ \$10,000. The amount of any
7 such franchise tax paid by the limited partnership to the secretary as
8 provided by this subsection shall not be disclosed by the secretary.

9 (e) The provisions of K.S.A. 17-7509 and amendments thereto, relat-
10 ing to penalties for failure of a corporation to file an annual report or
11 pay the required franchise tax, and the provisions of subsection (b) of
12 K.S.A. 17-7510 and amendments thereto, relating to forfeiture of a for-
13 eign corporation's authority to do business in this state for failure to file
14 an annual report or pay the required franchise tax, shall be applicable to
15 the authority of any foreign limited partnership which fails to file its an-
16 nual report or pay the franchise tax within 90 days of the time prescribed
17 in this section for filing and paying the same. Whenever the authority of
18 a foreign limited partnership to do business in this state is forfeited for
19 failure to file an annual report or to pay the required franchise tax, the
20 foreign limited partnership's authority to do business in this state may be
21 reinstated by filing a certificate of reinstatement, in the manner and form
22 to be prescribed by the secretary of state and paying to the secretary of
23 state all fees and taxes, including any penalties thereon, due to the state.
24 The fee for filing a certificate of reinstatement shall be the same as that
25 prescribed by K.S.A. 17-7506 and amendments thereto for filing a cer-
26 tificate of extension, restoration, renewal or revival of a corporation's ar-
27 ticles of incorporation.

28 Sec. 7. K.S.A. 2002 Supp. 56a-1201 is hereby amended to read as
29 follows: 56a-1201. (a) Every limited liability partnership organized under
30 the laws of this state shall make an annual report in writing to the secretary
31 of state, stating the prescribed information concerning the limited liability
32 partnership at the close of business on the last day of its tax period next
33 preceding the date of filing. If the limited liability partnership's tax period
34 is other than the calendar year, it shall give notice of its different tax
35 period in writing to the secretary of state prior to December 31 of the
36 year it commences the different tax period. The annual report shall be
37 filed at the time prescribed by law for filing the limited liability partner-
38 ship's annual Kansas income tax return. If the limited liability partnership
39 applies for an extension of time for filing its annual income tax return
40 under the internal revenue code, the limited liability partnership shall
41 also apply, not more than 90 days after the due date of its annual report,
42 to the secretary of state for an extension of the time for filing its report
43 and an extension shall be granted for a period of time corresponding to

1 that granted under the internal revenue code. The application shall in-
2 clude a copy of the application to income tax authorities.

3 (b) The annual report shall be made on a form prescribed by the
4 secretary of state. The report shall contain the following information:

5 (1) The name of the limited liability partnership; and

6 (2) a list of the partners owning at least 5% of the capital of the
7 partnership, with the post office address of each.

8 (c) The annual report shall be signed by a partner of the limited
9 liability partnership and forwarded to the secretary of state. At the time
10 of filing the report, the limited liability partnership shall pay to the sec-
11 retary of state an annual franchise tax in an amount equal to ~~\$2~~ \$1 for
12 each \$1,000 of the net capital accounts located in or used in this state at
13 the end of the preceding taxable year as required to be reported on the
14 federal partnership return of income, except that no annual tax shall be
15 less than \$40 or more than ~~\$5,000~~ \$10,000. The amount of any such
16 franchise tax paid by the limited liability partnership to the secretary as
17 provided by this subsection shall not be disclosed by the secretary.

18 (d) The provisions of K.S.A. 17-7509, and amendments thereto, re-
19 lating to penalties for failure of a corporation to file an annual report or
20 pay the required franchise tax, and the provisions of subsection (a) of
21 K.S.A. 17-7510 and amendments thereto, relating to penalties for failure
22 of a corporation to file an annual report or pay the required franchise tax,
23 shall be applicable to the statement of qualification of any limited liability
24 partnership which fails to file its annual report or pay the franchise tax
25 within 90 days of the time prescribed in this section for filing and paying
26 the same. Whenever the statement of qualification of a limited liability
27 partnership is forfeited for failure to file an annual report or to pay the
28 required franchise tax, the limited liability partnership may be reinstated
29 by filing a certificate of reinstatement, in the manner and form to be
30 prescribed by the secretary of state and paying to the secretary of state
31 all fees and taxes, including any penalties thereon, due to the state. The
32 fee for filing a certificate of reinstatement shall be the same as that pre-
33 scribed by K.S.A. 17-7506, and amendments thereto, for filing a certifi-
34 cate of extension, restoration, renewal or revival of a corporation's articles
35 of incorporation.

36 Sec. 8. K.S.A. 2002 Supp. 56a-1202 is hereby amended to read as
37 follows: 56a-1202. (a) Every foreign limited liability partnership shall
38 make an annual report in writing to the secretary of state, stating the
39 prescribed information concerning the foreign limited liability partner-
40 ship at the close of business on the last day of its tax period next preceding
41 the date of filing. If the foreign limited liability partnership's tax period
42 is other than the calendar year, it shall give notice in writing of its different
43 tax period to the secretary of state prior to December 31 of the year it

1 commences the different tax period. The annual report shall be filed at
2 the time prescribed by law for filing the foreign limited liability partner-
3 ship's annual Kansas income tax return. If the foreign limited liability
4 partnership applies for an extension of time for filing its annual income
5 tax return under the internal revenue code, the foreign limited liability
6 partnership shall also apply, not more than 90 days after the due date of
7 its annual report, to the secretary of state for an extension of the time for
8 filing its report and an extension shall be granted for a period of time
9 corresponding to that granted under the internal revenue code. The ap-
10 plication shall include a copy of the application to income tax authorities.

11 (b) The annual report shall be made on a form prescribed by the
12 secretary of state. The report shall contain the name of the foreign limited
13 liability partnership.

14 (c) The annual report shall be signed by a partner of the foreign
15 limited liability partnership and forwarded to the secretary of state. At
16 the time of filing the report, the foreign limited liability partnership shall
17 pay to the secretary of state an annual franchise tax in an amount equal
18 to ~~\$2~~ \$1 for each \$1,000 of the net capital accounts located in or used in
19 this state at the end of the preceding taxable year as required to be re-
20 ported on the federal partnership return of income, except that no annual
21 tax shall be less than \$40 or more than ~~\$5,000~~ \$10,000. The amount of
22 any such franchise tax paid by the foreign limited liability partnership to
23 the secretary as provided by this subsection shall not be disclosed by the
24 secretary.

25 (d) The provisions of K.S.A. 17-7509, and amendments thereto, re-
26 lating to penalties for failure of a corporation to file an annual report or
27 pay the required franchise tax, and the provisions of subsection (a) of
28 K.S.A. 17-7510, and amendments thereto, relating to penalties for failure
29 of a corporation to file an annual report or pay the required franchise tax,
30 shall be applicable to the statement of foreign qualification of any foreign
31 limited liability partnership which fails to file its annual report or pay the
32 franchise tax within 90 days of the time prescribed in this section for filing
33 and paying the same. Whenever the statement of foreign qualification of
34 a foreign limited liability partnership is forfeited for failure to file an
35 annual report or to pay the required franchise tax, the statement of foreign
36 qualification of the foreign limited liability partnership may be reinstated
37 by filing a certificate of reinstatement, in the manner and form to be
38 prescribed by the secretary of state and paying to the secretary of state
39 all fees and taxes, including any penalties thereon, due to the state. The
40 fee for filing a certificate of reinstatement shall be the same as that pre-
41 scribed by K.S.A. 17-7506, and amendments thereto, for filing a certifi-
42 cate of extension, restoration, renewal or revival of a corporation's articles
43 of incorporation.

1 Sec. 9. K.S.A. 2002 Supp. 17-2036, 17-7503, 17-7505, 17-76,139, 56-
2 1a606, 56-1a607, 56a-1201 and 56a-1202 are hereby repealed.

3 Sec. 10. This act shall take effect and be in force from and after its
4 publication in the statute book.

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43