

HOUSE BILL No. 2529

By Special Committee on Assessment and Taxation

1-16

AN ACT concerning certain business entities; relating to franchise fees; collection and administration of franchise tax by secretary of revenue; amending K.S.A. 17-1513, 17-1618, 17-7510, 17-7511, 17-7512 and 56-1a608 and K.S.A. 2003 Supp. 17-2036, 17-2718, 17-4634, 17-4677, 17-7503, 17-7504, 17-7505, 17-7507, 17-7509, 17-76,125, 17-76,139, 45-221, 56-1a606, 56-1a607, 56a-1201, 56a-1202 and 56a-1203 and repealing the existing sections; also repealing K.S.A. 2003 Supp. 17-7508.

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

New Section 1. (a) For any foreign or domestic for profit corporation, professional corporation or association, corporation organized under the electric cooperative act, corporation organized under the renewable energy electric generation cooperative act, foreign or domestic limited liability company, foreign or domestic limited partnership, foreign or domestic limited liability partnership or business trust duly registered and authorized to do business in Kansas by the secretary of state, such entity shall pay an annual franchise tax to the secretary of revenue as follows:

(1) For a business trust, in an amount equal to \$1 for each \$1,000 of its corpus as shown by its balance sheet, or, in the case of a foreign business trust, in an amount equal to \$1 for each \$1,000 of that portion of its corpus which is located in or which it uses or intends to use in this state as shown by the balance sheet, except that the annual franchise tax shall not be less than \$20 nor more than \$2,500;

(2) for a corporation organized under the electric cooperative act of this state, a corporation organized under the renewable energy electric generation cooperative act or a corporation organized not for profit, in the amount of \$20;

(3) for a professional corporation, or a domestic or foreign corporation organized for profit, in an amount equal to \$1 for each \$1,000 of the corporation's shareholder's equity attributable to Kansas, except that the annual franchise tax shall not be less than \$20 nor more than \$2,500;

(4) for a limited liability company or foreign limited liability company, in an amount equal to \$1 for each \$1,000 of the net capital accounts located in or used in this state at the end of the preceding taxable year

1 as required to be reported on the federal partnership return of income,
2 or for a one member limited liability company taxed as a sole proprietor-
3 ship, \$1 for each \$1,000 of net book value as calculated on an income tax
4 basis located in or used in this state at the end of the preceding taxable
5 year, except that the annual franchise tax shall not be less than \$20 nor
6 more than \$2,500; and

7 (5) for a limited partnership, foreign limited partnership, limited li-
8 ability partnership or foreign limited liability partnership, in an amount
9 equal to \$1 for each \$1,000 of the partners' net capital accounts located
10 in or used in this state at the end of the preceding taxable year as required
11 to be reported on the federal partnership return of income, except that
12 the annual franchise tax shall not be less than \$20 nor more than \$2,500.

13 (b) (1) Every corporation or association, business trust, limited li-
14 ability company, limited partnership or limited liability partnership subject
15 to taxation under this act, shall make a return, or statement stating spe-
16 cifically such items as may be required by the forms and regulations of
17 the secretary of revenue. The return of a corporation or association shall
18 be signed by the president, vice-president, treasurer, assistant treasurer,
19 chief accounting officer or any other officer so authorized to act. The fact
20 that an individual's name is signed on a return shall be *prima facie* evi-
21 dence that such individual is authorized to sign such return on behalf of
22 such corporation. In cases where receivers, trustees in bankruptcy or as-
23 signees are operating the property or business of corporations, such re-
24 ceivers, trustees, or assignees shall make returns for such corporations in
25 the same manner and form as corporations are required to make returns.
26 Any tax due on the basis of such returns shall be collected in the same
27 manner as if collected from the corporation for which the return is made.
28 The returns of a limited liability partnership shall be signed by a partner
29 of the limited liability partnership. The returns of a limited liability com-
30 pany shall be signed by a member of the limited liability partnership.

31 (2) All returns shall be filed in the office of the director of taxation
32 on or before the 15th day of the fourth month following the close of the
33 taxable year, except as provided in subsection (b) (3).

34 (3) The director of taxation may grant a reasonable extension of time
35 for filing returns in accordance with rules and regulations of the secretary
36 of revenue. Whenever any such extension of time to file is requested by
37 a taxpayer and granted by the director, no penalty authorized by K.S.A.
38 79-3228, and amendments thereto, shall be imposed if 90% of the liability
39 is paid on or before the original due date.

40 (c) (1) All taxes imposed under the provisions of the Kansas franchise
41 tax act shall be paid on the 15th day of the fourth month following the
42 close of the taxable year. When the tax as shown to be due on a return is
43 less than \$5, such tax shall be canceled and no payment need be remitted

1 by the taxpayer.

2 (2) The director of taxation may extend the time for payment of the
3 tax, or any installment thereof, for a reasonable period of time not to
4 exceed six months from the date fixed for payment thereof. Such exten-
5 sion may exceed six months in the case of a taxpayer who is abroad.
6 Interest shall be charged at the rate prescribed by K.S.A. 79-2968, and
7 amendments thereto, for the period of such extension.

8 (d) The provisions of K.S.A. 79-3226, 79-3228, 79-3228a, 79-3229,
9 79-3230, 79-3233, 79-3233a, 79-3233b, 79-3233g, 79-3233h, 79-3233i,
10 79-3234, 79-3235 and 79-3236, and amendments thereto, shall apply to
11 the administration and enforcement of this section.

12 (e) All taxes paid pursuant to the provisions of this act shall be
13 rounded off to the nearest \$1, and unless other disposition is specifically
14 provided by law, the taxes collected under the provisions of this act and
15 all overpayments which may not be refunded under this section shall be
16 remitted to the state treasurer in accordance with the provisions of K.S.A.
17 75-4215, and amendments thereto. Upon receipt of each such remittance,
18 the state treasurer shall deposit the entire amount in the state treasury
19 to the credit of the state general fund. The secretary of revenue shall not
20 refund any overpayment of franchise taxes which is equal to \$1 or less,
21 shall not credit any domestic corporation or foreign corporation with any
22 amount which may not be refunded under this section, and shall not
23 require reimbursement for any underpayment of franchise taxes which is
24 less than \$1.

25 (f) The provisions of this section shall be known and may be cited as
26 the Kansas franchise tax act.

27 Sec. 2. K.S.A. 17-1513 is hereby amended to read as follows: 17-
28 1513. Each corporation organized under the provisions of this act shall
29 make an annual report to the secretary of state, and pay the annual fran-
30 chise ~~tax~~ fee, as prescribed by K.S.A. 17-7503 *and amendments thereto*.

31 Sec. 3. K.S.A. 17-1618 is hereby amended to read as follows: 17-
32 1618. Each association formed under this act, or acts amendatory thereto,
33 shall prepare and make an annual report to the secretary of state, and pay
34 the annual franchise ~~tax~~ fee, as prescribed by K.S.A. 17-7504 and amend-
35 ments thereto, except that the report shall be filed at the time prescribed
36 by law for filing the association's annual Kansas income tax return. If any
37 such association shall apply for an extension of time for filing its annual
38 income tax return pursuant to the internal revenue code or subsection
39 (c) of K.S.A. 79-3221 and amendments thereto, such association shall also
40 apply, not more than 90 days after the due date of its annual report, to
41 the secretary of state for an extension of time for filing the annual report.
42 Such application for an extension of time for filing the annual report shall
43 include a copy of the application for extension for filing its annual income

1 tax return filed pursuant to the internal revenue code or K.S.A. 79-3221
2 and amendments thereto.

3 Sec. 4. K.S.A. 2003 Supp. 17-2036 is hereby amended to read as
4 follows: 17-2036. Every business trust shall make an annual report in
5 writing to the secretary of state, showing its financial condition at the
6 close of business on the last day of its tax period under the Kansas income
7 tax act next preceding the date of filing, but if a business trust's tax period
8 is other than the calendar year, it shall give notice thereof to the secretary
9 of state prior to December 31 of the year it commences such tax period.
10 The reports shall be made on forms provided by the secretary of state
11 and shall be filed at the time prescribed by law for filing the business
12 trust's annual Kansas income tax return, except that if any such business
13 trust shall receive an extension of time for filing its annual income tax
14 return from the internal revenue service or pursuant to subsection (c) of
15 K.S.A. 79-3221, and amendments thereto, the time for filing the report
16 hereunder shall be extended, correspondingly, upon filing with the sec-
17 retary of state a copy of the extension granted by the internal revenue
18 service or the director of taxation. The report shall contain the following:

19 (a) Executed copies of all amendments to the instrument by which
20 the business trust was created, or to prior amendments thereto, which
21 have been adopted and have not theretofore been filed under K.S.A. 17-
22 2033, and amendments thereto, and accompanied by the fee prescribed
23 therein for each such amendment;

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

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

32 At the time of filing its annual report, the business trust shall pay to
33 the secretary of state an annual franchise ~~tax fee~~ in an amount equal to
34 ~~\$2 for each \$1,000 of its corpus as shown by its balance sheet, or, in the~~
35 ~~case of a foreign business trust, in an amount equal to \$2 for each \$1,000~~
36 ~~of that portion of its corpus which is located in or which it uses or intends~~
37 ~~to use in this state as shown by its balance sheet, except that in any case~~
38 ~~no such tax shall be less than \$40 nor more than \$5,000 not to exceed~~
39 ~~\$20.~~

40 The failure of any domestic or foreign business trust to file its annual
41 report and pay its annual franchise ~~tax fee~~ within 90 days from the date
42 on which they are due, as ~~aforsaid~~ *provided in this section*, shall work a
43 forfeiture of its authority to transact business in this state and all of the

1 remedies, procedures, and penalties specified in K.S.A. 17-7509 and 17-
2 7510, and amendments thereto, with respect to a corporation which fails
3 to file its annual report or pay its annual franchise ~~tax~~ fee within 90 days
4 after they are due, shall be applicable to such business trust.

5 Sec. 5. K.S.A. 2003 Supp. 17-2718 is hereby amended to read as
6 follows: 17-2718. (a) Each professional corporation organized under the
7 laws of this state shall file with the secretary of state an annual report in
8 writing and a copy or duplicate thereof, stating the prescribed information
9 concerning the corporation at the close of business on the last day of its
10 tax period next preceding the date of filing, but if any such corporation's
11 tax period is other than the calendar year it shall give notice thereof to
12 the secretary of state prior to December 31 of the year it commences
13 such tax period. The report shall be filed at the time prescribed by law
14 for filing the corporation's annual Kansas income tax return, except that
15 such corporation may apply to the secretary of state not more than 90
16 days after the due date of its annual report for an extension of the time
17 for filing the report, and an extension shall be granted for a period of
18 time corresponding to that granted under the internal revenue code or
19 K.S.A. 79-3221, and amendments thereto. The report shall be made on
20 a form provided by the secretary of state, containing the following
21 information:

22 (1) The names and residence addresses of all officers, directors and
23 shareholders of the professional corporation;

24 (2) a statement that each officer, director and shareholder is or is not
25 a qualified person as defined in K.S.A. 17-2707, and amendments thereto,
26 and setting forth the date on which any shares of the corporation were
27 no longer owned by a qualified person; and

28 (3) the amount of capital stock issued.

29 (b) The report shall be signed by its president, secretary, treasurer
30 or other officer duly authorized so to act, or by any two of its directors,
31 or by an incorporator in the event its board of directors shall not have
32 been elected. The fact that an individual's name is signed on such report
33 shall be prima facie evidence that such individual is authorized to sign
34 the report on behalf of the corporation; however, the official title or po-
35 sition of the individual signing the report shall be designated. This report
36 will be dated and subscribed by the person as true, under penalty of
37 perjury. The copy of the annual report or the duplicate original copy of
38 the annual report shall be forwarded to the regulatory board which li-
39 censes the shareholders described in the report. At the time of filing its
40 annual report, each professional corporation shall pay the annual fran-
41 chise ~~tax~~ fee prescribed by K.S.A. 17-7503, and amendments thereto.

42 Sec. 6. K.S.A. 2003 Supp. 17-4634 is hereby amended to read as
43 follows: 17-4634. (a) Every corporation organized under the electric co-

1 operative act of this state shall make an annual report in writing to the
2 secretary of state, showing the financial condition of the corporation at
3 the close of business on the last day of its tax period next preceding the
4 date of filing, but if any such corporation's tax period is other than the
5 calendar year, it shall give notice thereof to the secretary of state prior to
6 December 31 of the year it commences such tax period. The report shall
7 be filed on or before the fifteenth day of the fourth month following the
8 close of the tax year of the electric cooperative. An extension for filing
9 the annual report may be granted upon the filing of a written application
10 with the secretary of state prior to the due date of the report, except that
11 no such extension may be granted for a period of more than ~~ninety (90)~~
12 90 days. The report shall be made on a form provided by the secretary
13 of state, containing the following information:

- 14 (1) The name of the corporation;
- 15 (2) the location of the principal office;
- 16 (3) the name of the president, secretary and treasurer and the names
17 of directors with the residence address of each;
- 18 (4) the number of memberships issued;
- 19 (5) a balance sheet showing the financial condition of the corporation
20 at the close of business on the last day of its tax period next preceding
21 the date of filing; and
- 22 (6) the change or changes, if any, in the particulars made since the
23 last annual report.

24 (b) Such reports shall be signed by the president, vice-president or
25 secretary of the corporation, sworn to before an officer duly authorized
26 to administer oaths and forwarded to the secretary of state. At the time
27 of filing such annual report, each such corporation shall pay an annual
28 franchise ~~tax of \$40~~ fee in an amount not to exceed \$20.

29 Sec. 7. K.S.A. 2003 Supp. 17-4677 is hereby amended to read as
30 follows: 17-4677. (a) Every cooperative organized under the renewable
31 energy electric generation cooperative act shall make an annual report in
32 writing to the secretary of state, showing the financial condition of the
33 cooperative at the close of business on the last day of its tax period next
34 preceding the date of filing, but if any such cooperative's tax period is
35 other than the calendar year, it shall give notice thereof to the secretary
36 of state prior to December 31 of the year it commences such tax period.
37 The report shall be filed on or before the 15th day of the fourth month
38 following the close of the tax year of the electric cooperative. An extension
39 for filing the annual report may be granted upon the filing of a written
40 application with the secretary of state prior to the due date of the report,
41 except that no such extension may be granted for a period of more than
42 90 days. The report shall be made on a form provided by the secretary
43 of state, containing the following information:

- 1 (1) The name of the cooperative;
- 2 (2) the location of the principal office of the cooperative;
- 3 (3) the names and addresses of the president, secretary, treasurer and
- 4 directors of the cooperative;
- 5 (4) the number of members of the cooperative;
- 6 (5) a balance sheet showing the financial condition of the cooperative
- 7 at the close of business on the last day of its tax period next preceding
- 8 the date of filing; and
- 9 (6) the change or changes, if any, in the particulars made since the
- 10 last annual report.

11 (b) The annual report shall be signed by the president, vice-president
12 or secretary of the cooperative, sworn to before an officer duly authorized
13 to administer oaths, and forwarded to the secretary of state. At the time
14 of filing such annual report, the cooperative shall pay an annual franchise
15 ~~tax of~~ *fee in an amount not to exceed \$20.*

16 Sec. 8. K.S.A. 2003 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 fee~~ in an amount equal to \$2 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. The amount of any~~
36 ~~such franchise tax paid by the corporation to the secretary as provided by~~
37 ~~this subsection shall not be disclosed by the secretary not to exceed \$20.~~

38 Sec. 9. K.S.A. 2003 Supp. 17-7504 is hereby amended to read as
39 follows: 17-7504. (a) Every corporation organized not for profit shall make
40 an annual report in writing to the secretary of state, stating the prescribed
41 information concerning the corporation at the close of business on the
42 last day of its tax period next preceding the date of filing, but if a cor-
43 poration's tax period is other than the calendar year, it shall give notice

1 thereof to the secretary of state prior to December 31 of the year it
2 commences such tax period. The reports shall be made on forms pre-
3 scribed by the secretary of state. The report shall be filed on the 15th day
4 of the sixth month following the close of the taxable year, except that such
5 corporation may apply to the secretary of state not more than 90 days
6 after the due date of its annual report for an extension of the time for
7 filing the report, and an extension shall be granted for a period of time
8 corresponding to that granted under the internal revenue code or K.S.A.
9 79-3221, and amendments thereto. The report shall contain the following
10 information:

- 11 (1) The name of the corporation;
- 12 (2) the location of the principal office;
- 13 (3) the names of the president, secretary and treasurer, and the mem-
14 bers of the board of directors, with the residence address of each;
- 15 (4) the number of memberships or the number of shares of capital
16 stock issued and the amount of capital stock paid up.

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

- 21 (1) The acreage and location listed by section, range, township and
22 county of each lot, tract or parcel of agricultural land in this state owned
23 or leased by or to the corporation;
- 24 (2) the purposes for which such agricultural land is owned or leased
25 and, if leased, to whom such agricultural land is leased;
- 26 (3) the value of the nonagricultural assets and the agricultural assets,
27 stated separately, owned and controlled by the corporation both within
28 and without the state of Kansas and where situated;
- 29 (4) the total number of stockholders of the corporation;
- 30 (5) the number of acres owned or operated by the corporation, the
31 number of acres leased by the corporation and the number of acres leased
32 to the corporation;
- 33 (6) the number of acres of agricultural land, held and reported in
34 each category under paragraph (5) of this subsection (b), stated sepa-
35 rately, being irrigated; and
- 36 (7) whether any of the agricultural land held and reported under this
37 subsection was acquired after July 1, 1981.

38 (c) The report shall be signed by its president, secretary, treasurer or
39 other officer duly authorized so to act, or by any two of its directors, or
40 by an incorporator in the event its board of directors shall not have been
41 elected. The fact that an individual's name is signed on such report shall
42 be prima facie evidence that such individual is authorized to sign the
43 report on behalf of the corporation; however, the official title or position

1 of the individual signing the report shall be designated. This report will
2 be dated and subscribed by the person as true, under penalty of perjury.
3 At the time of filing such report, each nonprofit corporation shall pay an
4 annual ~~privilege franchise fee of \$40~~ *in an amount not to exceed \$20* for
5 all tax years commencing after December 31, ~~2001~~ 2003.

6 Sec. 10. K.S.A. 2003 Supp. 17-7505 is hereby amended to read as
7 follows: 17-7505. (a) Every foreign corporation organized for profit, or
8 organized under the cooperative type statutes of the state, territory or
9 foreign country of incorporation, now or hereafter doing business in this
10 state, and owning or using a part or all of its capital in this state, and
11 subject to compliance with the laws relating to the admission of foreign
12 corporations to do business in Kansas, shall make an annual report in
13 writing to the secretary of state, stating the prescribed information con-
14 cerning the corporation at the close of business on the last day of its tax
15 period next preceding the date of filing, but if a corporation operates on
16 a fiscal year other than the calendar year it shall give written notice thereof
17 to the secretary of state prior to December 31 of the year commencing
18 such fiscal year. The report shall be made on a form prescribed by the
19 secretary of state. The report shall be filed at the time prescribed by law
20 for filing the corporation's annual Kansas income tax return, except that
21 if any such corporation shall apply for an extension of time for filing its
22 annual income tax return under the internal revenue service or under
23 subsection (c) of K.S.A. 79-3221, and amendments thereto, such corpo-
24 ration shall also apply, not more than 90 days after the due date of its
25 annual report, to the secretary of state for an extension of the time for
26 filing the report and an extension shall be granted for a period of time
27 corresponding to that granted under the internal revenue code or K.S.A.
28 79-3221, and amendments thereto. Such application shall include a copy
29 of the application to income tax authorities. The report shall contain the
30 following facts:

- 31 (1) The name of the corporation and under the laws of what state or
32 country organized;
- 33 (2) the location of its principal office;
- 34 (3) the names of the president, secretary, treasurer and members of
35 the board of directors, with the residence address of each;
- 36 (4) the number of shares of capital stock issued and the amount of
37 capital stock paid up;
- 38 (5) the nature and kind of business in which the company is engaged
39 and its place or places of business both within and without the state of
40 Kansas;
- 41 (6) the value of the property owned and used by the company in
42 Kansas, where situated, and the value of the property owned and used
43 outside of Kansas and where situated; and

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

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

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

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

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

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

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

18 (6) the number of acres of agricultural land, held and reported in
19 each category under paragraph (5) of this subsection (b), stated sepa-
20 rately, 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 The report shall be signed by its president, secretary, treasurer or other
24 officer duly authorized so to act, or by any two of its directors, or by an
25 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 its annual report, each such foreign corporation shall
32 pay to the secretary of state an annual franchise ~~tax fee~~ in an amount equal
33 to \$2 for each \$1,000 of the corporation's shareholder's equity attributable
34 to Kansas, except that no such tax shall be less than \$40 or more than
35 \$5,000. The amount of any such franchise tax paid by the foreign cor-
36 poration to the secretary as provided by this subsection shall not be dis-
37 closed by the secretary *not to exceed \$20*.

38 Sec. 11. K.S.A. 2003 Supp. 17-7507 is hereby amended to read as
39 follows: 17-7507. No corporation shall be required to file its first annual
40 report under this act, or pay any annual franchise ~~tax fee~~ required to
41 accompany such report, unless such corporation has filed its articles of
42 incorporation or certificate of good standing at least six months prior to
43 the last day of its tax period. ~~If any corporation shall file with the secretary~~

1 of state a notice of change in its tax period, and the next annual report
2 filed by such corporation subsequent to such notice is based on a tax
3 period of less than 12 months. The annual tax liability shall be determined
4 by multiplying the annual franchise tax liability for such year by a fraction
5 the numerator of which is the number of months, or any portion thereof,
6 covered by the annual report and the denominator of which is 12. Not
7 withstanding the foregoing, the minimum annual franchise tax shall be
8 \$40.

9 Sec. 12. K.S.A. 2003 Supp. 17-7509 is hereby amended to read as
10 follows: 17-7509. (a) In case any corporation organized for profit which
11 is required to file an annual report and pay the annual franchise ~~tax~~ *fee*
12 prescribed by this act shall fail or neglect to make such report at the time
13 prescribed, such corporation shall be subject to a penalty of \$75. Such
14 penalty and the annual ~~tax or taxes~~ *fee or fees* required to be paid by this
15 act may be recovered by an action in the name of the state, and all moneys
16 recovered shall be remitted to the state treasurer in accordance with the
17 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of
18 each such remittance, the state treasurer shall deposit the entire amount
19 in the state treasury to the credit of the state general fund.

20 (b) ~~On complaint of the secretary of state that any corporation has~~
21 ~~failed to pay the annual taxes prescribed by this act, it shall be the duty~~
22 ~~of the county or district attorney, or the attorney general, to institute such~~
23 ~~action in the district court of Shawnee county, Kansas, or of any county~~
24 ~~in which such corporation has an office or place of business.~~

25 ~~—(c)~~ The penalties provided for in subsection (a) also may be assessed
26 against any corporation for the reason that such corporation has been
27 canceled or its existence forfeited pursuant to the Kansas general cor-
28 poration code. No penalty shall be charged pursuant to this subsection,
29 if a corporation is assessed penalties pursuant to grounds specified in
30 subsection (a).

31 Sec. 13. K.S.A. 17-7510 is hereby amended to read as follows: 17-
32 7510. (a) In addition to any other penalties, the failure of any domestic
33 corporation to file the annual report in accordance with the provisions of
34 this act or to pay the annual ~~taxes herein~~ *franchise fee* provided for within
35 90 days of the time for filing and paying the same shall work the forfeiture
36 of the articles of incorporation of such domestic corporation. Within 60
37 days after the date such annual report and ~~taxes~~ *fee* are due, the secretary
38 of state, by mail, shall notify any corporation that has failed to submit
39 such report and ~~taxes~~ *fee* when due that its articles of incorporation shall
40 be forfeited unless the annual report is filed and the ~~taxes thereon are~~ *fee*
41 *is* paid within 90 days from the date such report and ~~taxes~~ *fee* were due.
42 Any corporation that fails to submit such report and ~~taxes~~ *fee* within such
43 time shall forfeit its articles of incorporation, and the secretary of state

1 shall notify the attorney general that the articles of incorporation of such
2 corporation have been forfeited.

3 (b) In addition to any other penalties, the failure of any foreign cor-
4 poration to file the annual report or pay the annual franchise ~~taxes~~ *fee*
5 prescribed by this act within 90 days from the time provided for filing
6 and paying the same shall work a forfeiture of its right or authority to do
7 business in this state. Within 60 days after the date such annual report
8 and ~~taxes~~ *fee* are due, the secretary of state, by mail, shall notify any
9 corporation that has failed to submit such report and ~~taxes~~ *fee* when due
10 that its authority to do business in this state shall be forfeited unless the
11 annual report and ~~taxes thereon are~~ *fee is* paid within 90 days from the
12 date such report and ~~taxes~~ *fee* were due. Any corporation that fails to
13 submit such report and ~~taxes~~ *fees* within such time shall forfeit its au-
14 thority to do business in this state, and the secretary of state shall publish
15 a notice of such forfeiture in the Kansas register.

16 This section shall not be construed to restrict the state from invoking
17 any other remedies provided by law.

18 Sec. 14. K.S.A. 17-7511 is hereby amended to read as follows: 17-
19 7511. Pursuant to the authority granted by subsection (c) of K.S.A. 79-
20 3234, the secretary of state, as a legal representative of the state, may
21 inspect the annual Kansas income tax return of any corporation for the
22 purpose of verifying any information contained in the annual report filed
23 by such corporation with the secretary of state pursuant to this act. The
24 secretary of state shall not disclose any information obtained from any
25 such return, except as may be necessary to commence an appropriate
26 administrative or judicial proceeding against the corporation filing the
27 same *and disclose to the secretary of revenue any information and allow*
28 *the secretary to inspect as necessary the annual report for purposes of*
29 *verifying any information contained on the franchise tax return as pro-*
30 *vided in section 1 and amendments thereto.*

31 Sec. 15. K.S.A. 17-7512 is hereby amended to read as follows: 17-
32 7512. The provisions of this act relating to the filing of annual reports
33 and the payment of franchise ~~taxes~~ *fees* shall not apply to banking, insur-
34 ance or savings and loan corporations or associations or to credit unions
35 or any firemen's relief association under the jurisdiction and supervision
36 of the insurance commissioner or to Kansas Venture Capital, Inc. or to
37 venture capital companies certified by the secretary of commerce pur-
38 suant to article 83 of chapter 74 of the Kansas Statutes Annotated and
39 amendments thereto.

40 Sec. 16. K.S.A. 2003 Supp. 17-76,125 is hereby amended to read as
41 follows: 17-76,125. A foreign limited liability company may cancel its reg-
42 istration by filing with the secretary of state a certificate of cancellation
43 executed by the members, together with the fee required by this act and

1 the annual report and franchise ~~tax~~*fee* for any tax period which has ended.
2 A cancellation does not terminate the authority of the secretary of state
3 to accept service of process on the foreign limited liability company with
4 respect to causes of action arising out of the doing of business in the state
5 of Kansas.

6 Sec. 17. K.S.A. 2003 Supp. 17-76,139 is hereby amended to read as
7 follows: 17-76,139. (a) Every limited liability company organized under
8 the laws of this state shall make an annual report in writing to the secretary
9 of state, stating the prescribed information concerning the limited liability
10 company at the close of business on the last day of its tax period next
11 preceding the date of filing. If the limited liability company's tax period
12 is other than the calendar year, it shall give notice of its different tax
13 period in writing to the secretary of state prior to December 31 of the
14 year it commences the different tax period. The annual report shall be
15 filed at the time prescribed by law for filing the limited liability company's
16 annual Kansas income tax return. If the limited liability company applies
17 for an extension of time for filing its annual income tax return under the
18 internal revenue code, the limited liability company shall also apply, not
19 more than 90 days after the due date of its annual report, to the secretary
20 of state for an extension of the time for filing its report and an extension
21 shall be granted for a period of time corresponding to that granted under
22 the internal revenue code. The application shall include a copy of the
23 application to income tax authorities. The annual report shall be made on
24 a form prescribed by the secretary of state. The report shall contain the
25 following information:

26 (1) The name of the limited liability company; and
27 (2) a list of the members owning at least 5% of the capital of the
28 company, with the post office address of each.

29 (b) Every foreign limited liability company shall make an annual re-
30 port in writing to the secretary of state, stating the prescribed information
31 concerning the limited liability company at the close of business on the
32 last day of its tax period next preceding the date of filing. If the limited
33 liability company's tax period is other than the calendar year, it shall give
34 notice in writing of its different tax period to the secretary of state prior
35 to December 31 of the year it commences the different tax period. The
36 annual report shall be filed at the time prescribed by law for filing the
37 limited liability company's annual Kansas income tax return. If the limited
38 liability company applies for an extension of time for filing its annual
39 income tax return under the internal revenue code, the limited liability
40 company also shall apply, not more than 90 days after the due date of its
41 annual report, to the secretary of state for an extension of the time for
42 filing its report and an extension shall be granted for a period of time
43 corresponding to that granted under the internal revenue code. The ap-

1 plication shall include a copy of the application to income tax authorities.
2 The annual report shall be made on a form prescribed by the secretary
3 of state. The report shall contain the name of the limited liability
4 company.

5 (c) The annual report required by this section shall be signed by a
6 member of the limited liability company and forwarded to the secretary
7 of state. At the time of filing the report, the limited liability company shall
8 pay to the secretary of state an annual franchise ~~tax~~ fee in an amount equal
9 to \$2 for each \$1,000 of the net capital accounts located in or used in this
10 state at the end of the preceding taxable year as required to be reported
11 on the federal partnership return of income, or for a one member LLC
12 taxed as a sole proprietorship, \$2 for each \$1,000 of net book value of the
13 LLC as calculated on an income tax basis located in or used in this state
14 at the end of the preceding taxable year, except that no annual tax shall
15 be less than \$40 or more than \$5,000. The amount of any such franchise
16 tax paid by the limited liability company to the secretary as provided by
17 this subsection shall not be disclosed by the secretary *not to exceed \$20*.

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~~ fee, 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 fee, shall be applicable to the articles of organization of any domestic
24 limited liability company or to the authority of any foreign limited liability
25 company which fails to file its annual report or pay the franchise ~~tax~~ fee
26 within 90 days of the time prescribed in this section for filing and paying
27 the same. Whenever the articles of organization of a domestic limited
28 liability company or the authority of any foreign limited liability company
29 are forfeited for failure to file an annual report or to pay the required
30 franchise ~~tax~~ fee, the domestic limited liability company or the authority
31 of a foreign limited liability company may be reinstated by filing a certifi-
32 cate of reinstatement, in the manner and form to be prescribed by the
33 secretary of state and paying to the secretary of state all fees ~~and taxes~~,
34 including any penalties thereon, due to the state. The fee for filing a
35 certificate of reinstatement shall be the same as that prescribed by K.S.A.
36 17-7506, and amendments thereto, for filing a certificate of extension,
37 restoration, renewal or revival of a corporation's articles of incorporation.

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

41 (f) No limited liability company shall be required to file its first annual
42 report under this act, or pay any annual franchise ~~tax~~ fee required to
43 accompany such report, unless such limited liability company has filed its

1 articles of organization or application for authority at least six months prior
2 to the last day of its tax period. ~~If any limited liability company files with~~
3 ~~the secretary of state a notice of change in its tax period and the next~~
4 ~~annual report filed by such limited liability company subsequent to such~~
5 ~~notice is based on a tax period of less than 12 months, the annual tax~~
6 ~~liability shall be determined by multiplying the annual franchise tax lia-~~
7 ~~bility for such year by a fraction, the numerator of which is the number~~
8 ~~of months or any portion thereof covered by the annual report and the~~
9 ~~denominator of which is 12, except that the tax shall not be less than \$40.~~

10 Sec. 18. K.S.A. 2003 Supp. 45-221 is hereby amended to read as
11 follows: 45-221. (a) Except to the extent disclosure is otherwise required
12 by law, a public agency shall not be required to disclose:

13 (1) Records the disclosure of which is specifically prohibited or re-
14 stricted by federal law, state statute or rule of the Kansas supreme court
15 or the disclosure of which is prohibited or restricted pursuant to specific
16 authorization of federal law, state statute or rule of the Kansas supreme
17 court to restrict or prohibit disclosure.

18 (2) Records which are privileged under the rules of evidence, unless
19 the holder of the privilege consents to the disclosure.

20 (3) Medical, psychiatric, psychological or alcoholism or drug depend-
21 ency treatment records which pertain to identifiable patients.

22 (4) Personnel records, performance ratings or individually identifia-
23 ble records pertaining to employees or applicants for employment, except
24 that this exemption shall not apply to the names, positions, salaries and
25 lengths of service of officers and employees of public agencies once they
26 are employed as such.

27 (5) Information which would reveal the identity of any undercover
28 agent or any informant reporting a specific violation of law.

29 (6) Letters of reference or recommendation pertaining to the char-
30 acter or qualifications of an identifiable individual.

31 (7) Library, archive and museum materials contributed by private
32 persons, to the extent of any limitations imposed as conditions of the
33 contribution.

34 (8) Information which would reveal the identity of an individual who
35 lawfully makes a donation to a public agency, if anonymity of the donor
36 is a condition of the donation.

37 (9) Testing and examination materials, before the test or examination
38 is given or if it is to be given again, or records of individual test or ex-
39 amination scores, other than records which show only passage or failure
40 and not specific scores.

41 (10) Criminal investigation records, except that the district court, in
42 an action brought pursuant to K.S.A. 45-222, and amendments thereto,
43 may order disclosure of such records, subject to such conditions as the

1 court may impose, if the court finds that disclosure:

2 (A) Is in the public interest;

3 (B) would not interfere with any prospective law enforcement action;

4 (C) would not reveal the identity of any confidential source or un-
5 dercover agent;

6 (D) would not reveal confidential investigative techniques or proce-
7 dures not known to the general public;

8 (E) would not endanger the life or physical safety of any person; and

9 (F) would not reveal the name, address, phone number or any other
10 information which specifically and individually identifies the victim of any
11 sexual offense in article 35 of chapter 21 of the Kansas Statutes Anno-
12 tated, and amendments thereto.

13 (11) Records of agencies involved in administrative adjudication or
14 civil litigation, compiled in the process of detecting or investigating vio-
15 lations of civil law or administrative rules and regulations, if disclosure
16 would interfere with a prospective administrative adjudication or civil
17 litigation or reveal the identity of a confidential source or undercover
18 agent.

19 (12) Records of emergency or security information or procedures of
20 a public agency, or plans, drawings, specifications or related information
21 for any building or facility which is used for purposes requiring security
22 measures in or around the building or facility or which is used for the
23 generation or transmission of power, water, fuels or communications, if
24 disclosure would jeopardize security of the public agency, building or
25 facility.

26 (13) The contents of appraisals or engineering or feasibility estimates
27 or evaluations made by or for a public agency relative to the acquisition
28 of property, prior to the award of formal contracts therefor.

29 (14) Correspondence between a public agency and a private individ-
30 ual, other than correspondence which is intended to give notice of an
31 action, policy or determination relating to any regulatory, supervisory or
32 enforcement responsibility of the public agency or which is widely dis-
33 tributed to the public by a public agency and is not specifically in response
34 to communications from such a private individual.

35 (15) Records pertaining to employer-employee negotiations, if dis-
36 closure would reveal information discussed in a lawful executive session
37 under K.S.A. 75-4319, and amendments thereto.

38 (16) Software programs for electronic data processing and documen-
39 tation thereof, but each public agency shall maintain a register, open to
40 the public, that describes:

41 (A) The information which the agency maintains on computer facil-
42 ities; and

43 (B) the form in which the information can be made available using

1 existing computer programs.

2 (17) Applications, financial statements and other information sub-
3 mitted in connection with applications for student financial assistance
4 where financial need is a consideration for the award.

5 (18) Plans, designs, drawings or specifications which are prepared by
6 a person other than an employee of a public agency or records which are
7 the property of a private person.

8 (19) Well samples, logs or surveys which the state corporation com-
9 mission requires to be filed by persons who have drilled or caused to be
10 drilled, or are drilling or causing to be drilled, holes for the purpose of
11 discovery or production of oil or gas, to the extent that disclosure is limited
12 by rules and regulations of the state corporation commission.

13 (20) Notes, preliminary drafts, research data in the process of anal-
14 ysis, unfunded grant proposals, memoranda, recommendations or other
15 records in which opinions are expressed or policies or actions are pro-
16 posed, except that this exemption shall not apply when such records are
17 publicly cited or identified in an open meeting or in an agenda of an open
18 meeting.

19 (21) Records of a public agency having legislative powers, which re-
20 cords pertain to proposed legislation or amendments to proposed legis-
21 lation, except that this exemption shall not apply when such records are:

22 (A) Publicly cited or identified in an open meeting or in an agenda
23 of an open meeting; or

24 (B) distributed to a majority of a quorum of any body which has au-
25 thority to take action or make recommendations to the public agency with
26 regard to the matters to which such records pertain.

27 (22) Records of a public agency having legislative powers, which re-
28 cords pertain to research prepared for one or more members of such
29 agency, except that this exemption shall not apply when such records are:

30 (A) Publicly cited or identified in an open meeting or in an agenda
31 of an open meeting; or

32 (B) distributed to a majority of a quorum of any body which has au-
33 thority to take action or make recommendations to the public agency with
34 regard to the matters to which such records pertain.

35 (23) Library patron and circulation records which pertain to identi-
36 fiable individuals.

37 (24) Records which are compiled for census or research purposes and
38 which pertain to identifiable individuals.

39 (25) Records which represent and constitute the work product of an
40 attorney.

41 (26) Records of a utility or other public service pertaining to individ-
42 ually identifiable residential customers of the utility or service, except that
43 information concerning billings for specific individual customers named

1 by the requester shall be subject to disclosure as provided by this act.

2 (27) Specifications for competitive bidding, until the specifications
3 are officially approved by the public agency.

4 (28) Sealed bids and related documents, until a bid is accepted or all
5 bids rejected.

6 (29) Correctional records pertaining to an identifiable inmate or re-
7 lease, except that:

8 (A) The name; photograph and other identifying information; sen-
9 tence data; parole eligibility date; custody or supervision level; disciplinary
10 record; supervision violations; conditions of supervision, excluding
11 requirements pertaining to mental health or substance abuse counseling;
12 location of facility where incarcerated or location of parole office main-
13 taining supervision and address of a releasee whose crime was committed
14 after the effective date of this act shall be subject to disclosure to any
15 person other than another inmate or releasee, except that the disclosure
16 of the location of an inmate transferred to another state pursuant to the
17 interstate corrections compact shall be at the discretion of the secretary
18 of corrections;

19 (B) the ombudsman of corrections, the attorney general, law enforce-
20 ment agencies, counsel for the inmate to whom the record pertains and
21 any county or district attorney shall have access to correctional records to
22 the extent otherwise permitted by law;

23 (C) the information provided to the law enforcement agency pursu-
24 ant to the sex offender registration act, K.S.A. 22-4901, *et seq.*, and
25 amendments thereto, shall be subject to disclosure to any person, except
26 that the name, address, telephone number or any other information which
27 specifically and individually identifies the victim of any offender required
28 to register as provided by the Kansas offender registration act, K.S.A. 22-
29 4901 *et seq.* and amendments thereto, shall not be disclosed; and

30 (D) records of the department of corrections regarding the financial
31 assets of an offender in the custody of the secretary of corrections shall
32 be subject to disclosure to the victim, or such victim's family, of the crime
33 for which the inmate is in custody as set forth in an order of restitution
34 by the sentencing court.

35 (30) Public records containing information of a personal nature
36 where the public disclosure thereof would constitute a clearly unwar-
37 ranted invasion of personal privacy.

38 (31) Public records pertaining to prospective location of a business
39 or industry where no previous public disclosure has been made of the
40 business' or industry's interest in locating in, relocating within or expand-
41 ing within the state. This exception shall not include those records per-
42 taining to application of agencies for permits or licenses necessary to do
43 business or to expand business operations within this state, except as

1 otherwise provided by law.

2 (32) Engineering and architectural estimates made by or for any pub-
3 lic agency relative to public improvements.

4 (33) Financial information submitted by contractors in qualification
5 statements to any public agency.

6 (34) Records involved in the obtaining and processing of intellectual
7 property rights that are expected to be, wholly or partially vested in or
8 owned by a state educational institution, as defined in K.S.A. 76-711, and
9 amendments thereto, or an assignee of the institution organized and ex-
10 isting for the benefit of the institution.

11 (35) Any report or record which is made pursuant to K.S.A. 65-4922,
12 65-4923 or 65-4924, and amendments thereto, and which is privileged
13 pursuant to K.S.A. 65-4915 or 65-4925, and amendments thereto.

14 (36) Information which would reveal the precise location of an ar-
15 cheological site.

16 (37) Any financial data or traffic information from a railroad company,
17 to a public agency, concerning the sale, lease or rehabilitation of the
18 railroad's property in Kansas.

19 (38) Risk-based capital reports, risk-based capital plans and corrective
20 orders including the working papers and the results of any analysis filed
21 with the commissioner of insurance in accordance with K.S.A. 40-2c20
22 and 40-2d20 and amendments thereto.

23 (39) Memoranda and related materials required to be used to support
24 the annual actuarial opinions submitted pursuant to subsection (b) of
25 K.S.A. 40-409, and amendments thereto.

26 (40) Disclosure reports filed with the commissioner of insurance un-
27 der subsection (a) of K.S.A. 40-2,156, and amendments thereto.

28 (41) All financial analysis ratios and examination synopses concerning
29 insurance companies that are submitted to the commissioner by the na-
30 tional association of insurance commissioners' insurance regulatory infor-
31 mation system.

32 (42) Any records the disclosure of which is restricted or prohibited
33 by a tribal-state gaming compact.

34 (43) Market research, market plans, business plans and the terms and
35 conditions of managed care or other third party contracts, developed or
36 entered into by the university of Kansas medical center in the operation
37 and management of the university hospital which the chancellor of the
38 university of Kansas or the chancellor's designee determines would give
39 an unfair advantage to competitors of the university of Kansas medical
40 center.

41 (44) The amount of franchise tax paid to *the secretary of revenue or*
42 *the secretary of state* by domestic corporations, foreign corporations, do-
43 mestic limited liability companies, foreign limited liability companies, do-

1 mestic limited partnership, foreign limited partnership, domestic limited
2 liability partnerships and foreign limited liability partnerships.

3 (45) Records the disclosure of which would pose a substantial likeli-
4 hood of revealing security measures that protect: (A) Systems, facilities
5 or equipment used in the production, transmission or distribution of en-
6 ergy, water or communications services; or (B) sewer or wastewater treat-
7 ment systems, facilities or equipment. For purposes of this paragraph,
8 security means measures that protect against criminal acts intended to
9 intimidate or coerce the civilian population, influence government policy
10 by intimidation or coercion or to affect the operation of government by
11 disruption of public services, mass destruction, assassination or
12 kidnapping.

13 (46) Any information or material received by the secretary of state
14 pursuant to subsection (b) of K.S.A. 2003 Supp. 44-1518, and amend-
15 ments thereto, except when such information is required to be submitted
16 in an application pursuant to K.S.A. 2003 Supp. 44-1520, and amend-
17 ments thereto.

18 (b) Except to the extent disclosure is otherwise required by law or as
19 appropriate during the course of an administrative proceeding or on ap-
20 peal from agency action, a public agency or officer shall not disclose fi-
21 nancial information of a taxpayer which may be required or requested by
22 a county appraiser or the director of property valuation to assist in the
23 determination of the value of the taxpayer's property for ad valorem tax-
24 ation purposes; or any financial information of a personal nature required
25 or requested by a public agency or officer, including a name, job descrip-
26 tion or title revealing the salary or other compensation of officers, em-
27 ployees or applicants for employment with a firm, corporation or agency,
28 except a public agency. Nothing contained herein shall be construed to
29 prohibit the publication of statistics, so classified as to prevent identifi-
30 cation of particular reports or returns and the items thereof.

31 (c) As used in this section, the term "cited or identified" shall not
32 include a request to an employee of a public agency that a document be
33 prepared.

34 (d) If a public record contains material which is not subject to dis-
35 closure pursuant to this act, the public agency shall separate or delete
36 such material and make available to the requester that material in the
37 public record which is subject to disclosure pursuant to this act. If a public
38 record is not subject to disclosure because it pertains to an identifiable
39 individual, the public agency shall delete the identifying portions of the
40 record and make available to the requester any remaining portions which
41 are subject to disclosure pursuant to this act, unless the request is for a
42 record pertaining to a specific individual or to such a limited group of
43 individuals that the individuals' identities are reasonably ascertainable, the

1 public agency shall not be required to disclose those portions of the record
2 which pertain to such individual or individuals.

3 (e) The provisions of this section shall not be construed to exempt
4 from public disclosure statistical information not descriptive of any iden-
5 tifiable person.

6 (f) Notwithstanding the provisions of subsection (a), any public rec-
7 ord which has been in existence more than 70 years shall be open for
8 inspection by any person unless disclosure of the record is specifically
9 prohibited or restricted by federal law, state statute or rule of the Kansas
10 supreme court or by a policy adopted pursuant to K.S.A. 72-6214, and
11 amendments thereto.

12 Sec. 19. K.S.A. 2003 Supp. 56-1a606 is hereby amended to read as
13 follows: 56-1a606. (a) Every limited partnership organized under the laws
14 of this state shall make an annual report in writing to the secretary of
15 state, stating the prescribed information concerning the limited partner-
16 ship at the close of business on the last day of its tax period next preceding
17 the date of filing. If the limited partnership's tax period is other than the
18 calendar year, it shall give notice of its different tax period to the secretary
19 of state prior to December 31 of the year it commences the different tax
20 period. The annual report shall be filed at the time prescribed by law for
21 filing the limited partnership's annual Kansas income tax return. If the
22 limited partnership applies for an extension of time for filing its annual
23 income tax return under the internal revenue code or under K.S.A. 79-
24 3221 and amendments thereto, the limited partnership shall also apply,
25 not more than 90 days after the due date of its annual report, to the
26 secretary of state for an extension of the time for filing its report and an
27 extension shall be granted for a period of time corresponding to that
28 granted under the internal revenue code or K.S.A. 79-3221 and amend-
29 ments thereto. The application shall include a copy of the application to
30 income tax authorities.

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

33 (1) The name of the limited partnership; and
34 (2) a list of the partners owning at least 5% of the capital of the
35 partnership, with the post office address of each.

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

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

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

3 (d) The annual report shall be signed by the general partner or part-
4 ners of the limited partnership, sworn to before an officer duly authorized
5 to administer oaths and forwarded to the secretary of state. At the time
6 of filing the report, the limited partnership shall pay to the secretary of
7 state an annual franchise ~~tax fee~~ in an amount equal to ~~\$2~~ for each ~~\$1,000~~
8 ~~of the partners' net capital accounts located in or used in this state at the~~
9 ~~end of the preceding taxable year as required to be reported on the fed-~~
10 ~~eral partnership return of income, except that no annual tax shall be less~~
11 ~~than \$40 or more than \$5,000. The amount of any such franchise tax paid~~
12 ~~by the limited partnership to the secretary as provided by this subsection~~
13 ~~shall not be disclosed by the secretary not to exceed \$20.~~

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

32 Sec. 20. K.S.A. 2003 Supp. 56-1a607 is hereby amended to read as
33 follows: 56-1a607. (a) Every foreign limited partnership shall make an
34 annual report in writing to the secretary of state, stating the prescribed
35 information concerning the limited partnership at the close of business
36 on the last day of its tax period next preceding the date of filing. If the
37 limited partnership's tax period is other than the calendar year, it shall
38 give notice of its different tax period to the secretary of state prior to
39 December 31 of the year it commences the different tax period. The
40 annual report shall be filed at the time prescribed by law for filing the
41 limited partnership's annual Kansas income tax return. If the limited part-
42 nership applies for an extension of time for filing its annual income tax
43 return under the internal revenue code or under K.S.A. 79-3221 and

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

8 (b) The annual report shall be made on a form prescribed by the
9 secretary of state. The report shall contain the name of the limited
10 partnership.

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

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

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

21 (d) The annual report shall be signed by the general partner or part-
22 ners of the limited partnership, sworn to before an officer duly authorized
23 to administer oaths and forwarded to the secretary of state. At the time
24 of filing the report, the foreign limited partnership shall pay to the sec-
25 retary of state an annual franchise ~~tax fee~~ in an amount ~~equal to \$2 for~~
26 ~~each \$1,000 of the partners' net capital accounts located in or used in this~~
27 ~~state at the end of the preceding taxable year as required to be reported~~
28 ~~on the federal partnership return of income, except that no annual tax~~
29 ~~shall be less than \$40 or more than \$5,000. The amount of any such~~
30 ~~franchise tax paid by the limited partnership to the secretary as provided~~
31 ~~by this subsection shall not be disclosed by the secretary~~ *not to exceed*
32 *\$20.*

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

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

9 Sec. 21. K.S.A. 56-1a608 is hereby amended to read as follows: 56-
10 1a608. No limited partnership shall be required to file its first annual
11 report under this act, or pay any annual franchise ~~tax fee~~ required to
12 accompany such report, unless such limited partnership has filed its cer-
13 tificate of limited partnership or certificate of good standing at least six
14 months prior to the last day of its tax period. ~~If any limited partnership~~
15 ~~files with the secretary of state a notice of change in its tax period and~~
16 ~~the next annual report filed by such limited partnership subsequent to~~
17 ~~such notice is based on a tax period of less than 12 months, there shall~~
18 ~~be no reduction or proration of the annual tax required to accompany~~
19 ~~such report.~~

20 Sec. 22. K.S.A. 2003 Supp. 56a-1201 is hereby amended to read as
21 follows: 56a-1201. (a) Every limited liability partnership organized under
22 the laws of this state shall make an annual report in writing to the secretary
23 of state, stating the prescribed information concerning the limited liability
24 partnership at the close of business on the last day of its tax period next
25 preceding the date of filing. If the limited liability partnership's tax period
26 is other than the calendar year, it shall give notice of its different tax
27 period in writing to the secretary of state prior to December 31 of the
28 year it commences the different tax period. The annual report shall be
29 filed at the time prescribed by law for filing the limited liability partner-
30 ship's annual Kansas income tax return. If the limited liability partnership
31 applies for an extension of time for filing its annual income tax return
32 under the internal revenue code, the limited liability partnership shall
33 also apply, not more than 90 days after the due date of its annual report,
34 to the secretary of state for an extension of the time for filing its report
35 and an extension shall be granted for a period of time corresponding to
36 that granted under the internal revenue code. The application shall in-
37 clude a copy of the application to income tax authorities.

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

- 40 (1) The name of the limited liability partnership; and
 - 41 (2) a list of the partners owning at least 5% of the capital of the
42 partnership, with the post office address of each.
- 43 (c) The annual report shall be signed by a partner of the limited

1 liability partnership and forwarded to the secretary of state. At the time
2 of filing the report, the limited liability partnership shall pay to the sec-
3 retary of state an annual franchise ~~tax fee~~ in an amount equal to ~~\$2~~ for
4 each \$1,000 of the net capital accounts located in or used in this state at
5 the end of the preceding taxable year as required to be reported on the
6 federal partnership return of income, except that no annual tax shall be
7 less than \$40 or more than \$5,000. The amount of any such franchise tax
8 paid by the limited liability partnership to the secretary as provided by
9 this subsection shall not be disclosed by the secretary *not to exceed \$20*.

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

28 Sec. 23. K.S.A. 2003 Supp. 56a-1202 is hereby amended to read as
29 follows: 56a-1202. (a) Every foreign limited liability partnership shall
30 make an annual report in writing to the secretary of state, stating the
31 prescribed information concerning the foreign limited liability partner-
32 ship at the close of business on the last day of its tax period next preceding
33 the date of filing. If the foreign limited liability partnership's tax period
34 is other than the calendar year, it shall give notice in writing of its different
35 tax period to the secretary of state prior to December 31 of the year it
36 commences the different tax period. The annual report shall be filed at
37 the time prescribed by law for filing the foreign limited liability partner-
38 ship's annual Kansas income tax return. If the foreign limited liability
39 partnership applies for an extension of time for filing its annual income
40 tax return under the internal revenue code, the foreign limited liability
41 partnership shall also apply, not more than 90 days after the due date of
42 its annual report, to the secretary of state for an extension of the time for
43 filing its report and an extension shall be granted for a period of time

1 corresponding to that granted under the internal revenue code. The ap-
2 plication shall include 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 name of the foreign limited
5 liability partnership.

6 (c) The annual report shall be signed by a partner of the foreign
7 limited liability partnership and forwarded to the secretary of state. At
8 the time of filing the report, the foreign limited liability partnership shall
9 pay to the secretary of state an annual franchise ~~tax fee~~ in an amount equal
10 ~~to \$2 for each \$1,000 of the net capital accounts located in or used in this~~
11 ~~state at the end of the preceding taxable year as required to be reported~~
12 ~~on the federal partnership return of income, except that no annual tax~~
13 ~~shall be less than \$40 or more than \$5,000. The amount of any such~~
14 ~~franchise tax paid by the foreign limited liability partnership to the sec-~~
15 ~~retary as provided by this subsection shall not be disclosed by the secre-~~
16 ~~tary not to exceed \$20.~~

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

36 Sec. 24. K.S.A. 2003 Supp. 56a-1203 is hereby amended to read as
37 follows: 56a-1203. No limited liability partnership or foreign limited li-
38 ability partnership shall be required to file its first annual report under this
39 act, or pay any annual franchise ~~tax fee~~ required to accompany such report,
40 unless such partnership has filed its statement of qualification or foreign
41 qualification at least six months prior to the last day of its tax period. ~~If~~
42 ~~any such partnership files with the secretary of state a notice of change~~
43 ~~in its tax period and the next annual report filed by such partnership~~

1 subsequent to such notice is based on a tax period of less than 12 months,
2 the annual tax liability shall be determined by multiplying the annual
3 franchise tax liability for such year by a fraction, the numerator of which
4 is the number of months or any portion thereof covered by the annual
5 report and the denominator of which is 12, except that the tax shall not
6 be less than \$40.

7 New Sec. 25. (a) There is hereby created the franchise fee fund in
8 the state treasury. The secretary of state shall remit all moneys received
9 from franchise fees, to the state treasurer in accordance with the provi-
10 sions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each
11 such remittance, the state treasurer shall deposit the entire amount in the
12 state treasury to the credit of the franchise fee fund.

13 (b) All expenditures from the franchise fee fund shall be in accord-
14 ance with appropriations acts upon warrants of the director of accounts
15 and reports issued pursuant to vouchers approved by the secretary of state
16 or by a person or persons designated by the secretary.

17 Sec. 26. K.S.A. 17-1513, 17-1618, 17-7510, 17-7511, 17-7512 and 56-
18 1a608 and K.S.A. 2003 Supp. 17-2036, 17-2718, 17-4634, 17-4677, 17-
19 7503, 17-7504, 17-7505, 17-7507, 17-7508, 17-7509, 17-76,125, 17-
20 76,139, 45-221, 56-1a606, 56-1a607, 56a-1201, 56a-1202 and 56a-1203
21 are hereby repealed.

22 Sec. 27. This act shall take effect and be in force from and after its
23 publication in the statute book.

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