

## SENATE BILL No. 477

By Committee on Assessment and Taxation

2-9

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9 AN ACT concerning taxation; relating to confidentiality of information;  
10 disclosure; amending K.S.A. 79-1119, 79-3392, 79-3614 and 79-4105  
11 and K.S.A. 2003 Supp. 12-189, 75-5133, 79-3234 and 79-3657 and  
12 repealing the existing sections.  
13

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

15 Section 1. K.S.A. 2003 Supp. 12-189 is hereby amended to read as  
16 follows: 12-189. Except as otherwise provided by paragraph (2) of sub-  
17 section (a) of K.S.A. 12-187, and amendments thereto, the rate of any  
18 class A, class B or class C city retailers' sales tax shall be fixed in the  
19 amount of .25%, .5%, .75% or 1% which amount shall be determined by  
20 the governing body of the city. Except as otherwise provided by paragraph  
21 (2) of subsection (a) of K.S.A. 12-187, and amendments thereto, the rate  
22 of any class D city retailers' sales tax shall be fixed in the amount of .10%,  
23 .25%, .5%, .75%, 1%, 1.125%, 1.25%, 1.5% or 1.75%. The rate of any  
24 countywide retailers' sales tax shall be fixed in an amount of either .25%,  
25 .5%, .75% or 1% which amount shall be determined by the board of  
26 county commissioners, except that:

27 (a) The board of county commissioners of Wabaunsee county, for the  
28 purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and amend-  
29 ments thereto, may fix such rate at 1.25%; the board of county commis-  
30 sioners of Osage county, for the purposes of paragraph (2) of subsection  
31 (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at 1.25%  
32 or 1.5%; the board of county commissioners of Cherokee, Crawford,  
33 Ford, Saline, Seward or Wyandotte county, for the purposes of paragraph  
34 (2) of subsection (b) of K.S.A. 12-187, and amendments thereto, may fix  
35 such rate at 1.5%, the board of county commissioners of Atchison county,  
36 for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and  
37 amendments thereto, may fix such rate at 1.5% or 1.75% and the board  
38 of county commissioners of Anderson, Barton, Jefferson or Ottawa  
39 county, for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-  
40 187, and amendments thereto, may fix such rate at 2%;

41 (b) the board of county commissioners of Jackson county, for the  
42 purposes of paragraph (3) of subsection (b) of K.S.A. 12-187, and amend-  
43 ments thereto, may fix such rate at 2%;

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

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

10 (e) the board of county commissioners of Dickinson county, for the  
11 purposes of paragraph (7) of subsection (b) of K.S.A. 12-187, and amend-  
12 ments thereto, may fix such rate at 1.5%, and the board of county com-  
13 missioners of Miami county, for the purposes of paragraph (7) of subsec-  
14 tion (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at  
15 1.25%, 1.5%, 1.75% or 2%;

16 (f) the board of county commissioners of Sherman county, for the  
17 purposes of paragraph (8) of subsection (b) of K.S.A. 12-187, and amend-  
18 ments thereto, may fix such rate at 1.5%, 1.75% or 2%;

19 (g) the board of county commissioners of Russell county for the pur-  
20 poses of paragraph (9) of subsection (b) of K.S.A. 12-187, and amend-  
21 ments thereto, may fix such rate at 1.5%;

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

25 (i) the board of county commissioners of Douglas county, for the  
26 purposes of paragraph (11) of subsection (b) of K.S.A. 12-187, and  
27 amendments thereto, may fix such rate at 1.25%; or

28 (j) the board of county commissioners of Jackson county, for the pur-  
29 poses of subsection (b)(13) of K.S.A. 12-187 and amendments thereto,  
30 may fix such rate at 1.4%.

31 Any county or city levying a retailers' sales tax is hereby prohibited  
32 from administering or collecting such tax locally, but shall utilize the serv-  
33 ices of the state department of revenue to administer, enforce and collect  
34 such tax. Except as otherwise specifically provided in K.S.A. 12-189a, and  
35 amendments thereto, such tax shall be identical in its application, and  
36 exemptions therefrom, to the Kansas retailers' sales tax act and all laws  
37 and administrative rules and regulations of the state department of rev-  
38 enue relating to the Kansas retailers' sales tax shall apply to such local  
39 sales tax insofar as such laws and rules and regulations may be made  
40 applicable. The state director of taxation is hereby authorized to admin-  
41 ister, enforce and collect such local sales taxes and to adopt such rules  
42 and regulations as may be necessary for the efficient and effective ad-  
43 ministration and enforcement thereof.

1     Upon receipt of a certified copy of an ordinance or resolution author-  
2     izing the levy of a local retailers' sales tax, the director of taxation shall  
3     cause such taxes to be collected within or without the boundaries of such  
4     taxing subdivision at the same time and in the same manner provided for  
5     the collection of the state retailers' sales tax. Such copy shall be submitted  
6     to the director of taxation within 30 days after adoption of any such or-  
7     dinance or resolution. All moneys collected by the director of taxation  
8     under the provisions of this section shall be credited to a county and city  
9     retailers' sales tax fund which fund is hereby established in the state treas-  
10    ury. Any refund due on any county or city retailers' sales tax collected  
11    pursuant to this act shall be paid out of the sales tax refund fund and  
12    reimbursed by the director of taxation from collections of local retailers'  
13    sales tax revenue. Except for local retailers' sales tax revenue required to  
14    be deposited in the redevelopment bond fund established under K.S.A.  
15    74-8927, and amendments thereto, all local retailers' sales tax revenue  
16    collected within any county or city pursuant to this act shall be appor-  
17    tioned and remitted at least quarterly by the state treasurer, on instruction  
18    from the director of taxation, to the treasurer of such county or city.

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

23    The director of taxation shall provide, upon request by a city or county  
24    clerk or treasurer of any city or county levying a local retailers' sales tax,  
25    monthly reports identifying each retailer ~~having a place of doing~~ business  
26    in such city or county *or making taxable sales sourced to such city or*  
27    *county*, setting forth the tax liability and the amount of such tax remitted  
28    by each retailer during the preceding month and identifying each business  
29    location maintained by the retailer ~~within such city or county~~ *and such*  
30    *retailer's sales or use tax registration or account number*. Such report  
31    shall be made available to the clerk or treasurer of such city or county  
32    within a reasonable time after it has been requested from the director of  
33    taxation. The director of taxation shall be allowed to assess a reasonable  
34    fee for the issuance of such report. Information received by any city or  
35    county pursuant to this section shall be confidential, and it shall be un-  
36    lawful for any officer or employee of such city or county to divulge any  
37    such information in any manner. Any violation of this paragraph by a city  
38    or county officer or employee is a class B misdemeanor, and such officer  
39    or employee shall be dismissed from office.

40    Sec. 2. K.S.A. 2003 Supp. 75-5133 is hereby amended to read as  
41    follows: 75-5133. (a) Except as otherwise more specifically provided by  
42    law, all information received by the *secretary of revenue, the* director of  
43    taxation *or the director of alcoholic beverage control* from ~~applications for~~

1 ~~licensure or registration made or~~ returns ~~or~~, reports, *license applications*  
2 *or registration documents made or* filed under the provisions of any law  
3 imposing any *sales, use or other* excise tax administered by *the secretary*  
4 *of revenue, the director of taxation, or the director of alcoholic beverage*  
5 *control, or from any investigation conducted under such provisions, shall*  
6 be confidential, and it shall be unlawful for any officer or employee of  
7 the department of revenue to divulge any such information except in  
8 accordance with other provisions of law respecting the enforcement and  
9 collection of such tax, in accordance with proper judicial order ~~and~~ or as  
10 provided in K.S.A. 74-2424, and amendments thereto.

11 (b) ~~Nothing in this section shall be construed to prohibit the publi-~~  
12 ~~cation of~~ *The secretary of revenue or the secretary's designee may:*

13 (1) *Release information which appears on a sales, use or other excise*  
14 *tax license certificate issued by the department, except that the department*  
15 *shall not publicly disclose the license number issued by the department.*  
16 *The department may release the status of a license but shall not disclose*  
17 *any further details concerning the status;*

18 (2) *publish statistical reports showing state or local tax revenues or*  
19 *distributions by city, county or number and types of businesses. The sec-*  
20 *retary of revenue or the secretary's designee may release other statistics,*  
21 *so classified as to prevent identification of particular reports or returns*  
22 *and the items thereof; or;*

23 (3) *allow the inspection of returns by the attorney general.* ~~Nothing~~  
24 ~~in this section shall prohibit or the attorney general's designee;~~

25 (4) *provide the post auditor from access to all such excise tax reports*  
26 *or returns in accordance with and subject to the provisions of subsection*  
27 *(g) of K.S.A. 46-1106, and amendments thereto.* ~~Nothing in this section~~  
28 ~~shall be construed to prohibit the disclosure of;~~

29 (5) *disclose taxpayer information from excise tax returns to persons*  
30 *or entities contracting with the secretary of revenue where the secretary*  
31 *has determined disclosure of such information is essential for completion*  
32 *of the contract and has taken appropriate steps to preserve confidentiality.*

33 ~~(c) Notwithstanding the foregoing provisions of this section, the di-~~  
34 ~~rector of taxation may provide: (1) Such;~~

35 (6) *provide information from returns and reports filed under article*  
36 *42 of chapter 79 of the Kansas Statutes Annotated to county appraisers*  
37 *as is necessary to insure proper valuations of property. Information from*  
38 *such returns and reports may also be exchanged with any other state*  
39 *agency administering and collecting conservation or other taxes and fees*  
40 *imposed on or measured by mineral production; and (2) such*

41 (7) *provide, upon request by a city or county clerk or treasurer of*  
42 *any city or county receiving distributions from a local excise tax, monthly*  
43 *reports identifying each retailer doing business in such city or county or*

1 *making taxable sales sourced to such city or county, setting forth the tax*  
2 *liability and the amount of such tax remitted by each retailer during the*  
3 *preceding month, and identifying each business location maintained by*  
4 *the retailer and such retailer's sales or use tax registration or account*  
5 *number. City or county clerks or treasurers may release this information*  
6 *to staff members within their respective offices for the sole purpose of*  
7 *verifying distributions or preparing revenue projections;*

8 (8) *provide information from returns and applications for registration*  
9 *filed pursuant to K.S.A. 12-187, and amendments thereto, and K.S.A. 79-*  
10 *3601, and amendments thereto, to a city or county treasurer or clerk to*  
11 *explain the basis of statistics contained in reports ~~required~~ provided by*  
12 *K.S.A. 12-189, and amendments thereto, 12-1694, and amendments*  
13 *thereto, and 12-1698, and amendments thereto.*

14 ~~(d) Nothing in this section shall prohibit the disclosure of subsection~~  
15 ~~(b)(7);~~

16 (9) *disclose the following oil and gas production statistics received by*  
17 *the department of revenue in accordance with K.S.A. 79-4216 et seq. and*  
18 *amendments thereto: Volumes of production by well name, well number,*  
19 *operator's name and identification number assigned by the state corpo-*  
20 *ration commission, lease name, leasehold property description, county of*  
21 *production or zone of production, name of purchaser and purchaser's tax*  
22 *identification number assigned by the department of revenue, name of*  
23 *transporter, field code number or lease code, tax period, exempt produc-*  
24 *tion volumes by well name or lease, or any combination of this*  
25 *information:*

26 ~~(e);~~

27 (10) *release or publish liquor brand registration information provided*  
28 *by suppliers, farm wineries and microbreweries in accordance with the*  
29 *liquor control act. The information to be released is limited to: Item num-*  
30 *ber, universal numeric code assigned by the distilled spirits council of the*  
31 *United States (UNIMERC), type status, product description, alcohol per-*  
32 *centage, selling units, unit size, unit of measurement, supplier number,*  
33 *supplier name, distributor number and distributor name;*

34 (11) *release or publish liquor license information provided by liquor*  
35 *licensees, distributors, suppliers, farm wineries and microbreweries in ac-*  
36 *cordance with the liquor control act. The information to be released is*  
37 *limited to: County name, owner, business name, address, license type,*  
38 *license number, license expiration date and the process agent contact*  
39 *information;*

40 (12) *release or publish cigarette and tobacco license information ob-*  
41 *tained from cigarette and tobacco licensees in accordance with the Kansas*  
42 *cigarette and tobacco products act. The information to be released is lim-*  
43 *ited to: County name, owner, business name, address, license type and*

1 *license number;*

2 (13) *provide environmental surcharge or solvent fee, or both, infor-*  
3 *mation from returns and applications for registration filed pursuant to*  
4 *K.S.A. 65-34,150 and 65-34,151, and amendments thereto, to the secre-*  
5 *tary of health and environment or the secretary's designee for the sole*  
6 *purpose of ensuring that retailers collect the environmental surcharge tax*  
7 *or solvent fee, or both;*

8 (14) *provide water protection fee information from returns and ap-*  
9 *plications for registration filed pursuant to K.S.A. 82a-954, and amend-*  
10 *ments thereto, to the secretary of the state board of agriculture or the*  
11 *secretary's designee and the secretary of the Kansas water office or the*  
12 *secretary's designee for the sole purpose of verifying revenues deposited*  
13 *to the state water plan fund;*

14 (15) *provide to the secretary of commerce specific taxpayer infor-*  
15 *mation relevant to any enterprise zone sales tax exemption pursuant to*  
16 *subsection (cc) of K.S.A. 79-3606, and amendments thereto, sought by*  
17 *such taxpayer; and*

18 (16) *disclose specific taxpayer information to the governor, secretary*  
19 *of commerce or any state senator or representative if the secretary deter-*  
20 *mines that such information would be relevant to determining the fiscal*  
21 *impact of any introduced legislative proposal. The confidentiality of such*  
22 *information shall be protected and any discussion involving such specific*  
23 *taxpayer information by a legislative body shall be prohibited.*

24 (c) Any person receiving any information under the provisions of sub-  
25 section (b), ~~(c) or (d)~~ shall be subject to the confidentiality provisions of  
26 subsection (a) and to the penalty provisions of subsection ~~(d)~~.

27 ~~(d)~~ Any violation of this section shall be a class B, nonperson mis-  
28 demeanor, and if the offender is an officer or employee of this state, such  
29 officer or employee shall be dismissed from office.

30 Sec. 3. K.S.A. 79-1119 is hereby amended to read as follows: 79-  
31 1119. (a) All reports, statements, lists and returns required under the  
32 provisions of article 11 of chapter 79 of the Kansas Statutes Annotated  
33 shall be preserved for three ~~(3)~~ years and thereafter until the director of  
34 taxation orders them to be destroyed.

35 (b) Except in accordance with proper judicial order, or as provided  
36 in subsection (c) of this section, subsection (g) of K.S.A. 17-7511 or 46-  
37 1106, it shall be unlawful for the director of taxation, or any deputy, agent,  
38 clerk or other officer, employee or former employee of the department  
39 of revenue or any other state officer or employee or former state officer  
40 or employee to divulge, or to make known in any way, the amount of  
41 income or any particulars set forth or disclosed in any report, statement,  
42 list, return, federal return or federal return information required under  
43 the provisions of article 11 of chapter 79 of the Kansas Statutes Anno-

1 tated; and it shall be unlawful for the director of taxation, or any deputy,  
2 agent, clerk or other officer or employee of the department of revenue  
3 engaged in the administration of the tax imposed under the provisions of  
4 article 11 of chapter 79 of the Kansas Statutes Annotated to engage in  
5 the business or profession of tax accounting or to accept employment,  
6 with or without consideration, for any person, firm or corporation for the  
7 purpose, directly or indirectly, or preparing tax returns or reports re-  
8 quired by the laws of the state of Kansas, by any other state or by the  
9 United States government, or to accept any employment for the purpose  
10 of advising, preparing material or data, or the auditing of books or records  
11 to be used in an effort to defeat or cancel any tax or part thereof that has  
12 been assessed by the state of Kansas, any other state or by the United  
13 States government.

14 ~~(c) Nothing herein shall be construed to prohibit the publication of~~  
15 ~~statistics~~ *The secretary or the secretary's designee may: (1) Publish sta-*  
16 *tistics, so classified as to prevent the identification of particular reports*  
17 *or returns and the items thereof; or;*

18 *(2) allow the inspection of returns by the attorney general or other*  
19 *legal representatives of the state. Nothing in this section shall prohibit;*

20 *(3) provide the post auditor from access to all statements, lists, re-*  
21 *ports or returns in accordance with and subject to the provisions of sub-*  
22 *section (g) of K.S.A. 46-1106; or*

23 *(4) disclose specific taxpayer information to the governor, secretary*  
24 *of commerce or any state senator or representative if the secretary of*  
25 *revenue determines that such information would be relevant to determin-*  
26 *ing the fiscal impact of any introduced legislative proposal. The confiden-*  
27 *tiality of such information shall be protected and any discussion involving*  
28 *such specific taxpayer information by a legislative body shall be*  
29 *prohibited.*

30 *(d) Any person receiving information under the provisions of this sub-*  
31 *section (c) shall be subject to the confidentiality provisions of subsection*  
32 *(b) of this section and to the penalty provisions of subsection (d) of this*  
33 *section (e).*

34 ~~(d)~~ *(e) Any violation of subsections (b) or (c) of this section shall be*  
35 *a class B misdemeanor; and if the offender be an officer or employee of*  
36 *the state, he or she such officer or employee shall be dismissed from office.*

37 ~~(e)~~ *(f) Notwithstanding the provisions of this section, the secretary of*  
38 *revenue may, in his or her discretion, permit the commissioner of internal*  
39 *revenue of the United States, or the proper official of any state imposing*  
40 *an income tax or privilege tax on financial institutions, or the authorized*  
41 *representative of either, to inspect the reports, statements, lists or returns*  
42 *made under the provisions of article 11 of chapter 79 of the Kansas Stat-*  
43 *utes Annotated and the secretary of revenue may make available or fur-*

1 nish to the taxing officials of any other state or the commissioner of in-  
2 ternal revenue of the United States or other taxing officials of the federal  
3 government, or their authorized representatives, information contained  
4 in statements, lists, reports, or returns or any audit thereof or the report  
5 of any investigation made with respect thereto, filed pursuant to any of  
6 the provisions of article 11 of chapter 79 of the Kansas Statutes Anno-  
7 tated, as the secretary may consider proper, but such information shall  
8 not be used for any other purpose than that of the administration of tax  
9 laws of such state or of the United States.

10 ~~(f)~~ (g) Notwithstanding the provisions of this section, the secretary of  
11 revenue may provide such information to the president of Kansas, Inc.  
12 as required by K.S.A. 1997 Supp. 74-8017, and amendments thereto. The  
13 president and any employees or former employees of Kansas, Inc. re-  
14 ceiving any such information shall be subject to the confidentiality pro-  
15 visions of subsection (b) and to the penalty provisions of subsection ~~(d)~~  
16 (e).

17 Sec. 4. K.S.A. 2003 Supp. 79-3234 is hereby amended to read as  
18 follows: 79-3234. (a) All reports and returns required by this act shall be  
19 preserved for three years and thereafter until the director orders them  
20 to be destroyed.

21 (b) Except in accordance with proper judicial order, or as provided  
22 in subsection (c) or in K.S.A. 17-7511, subsection (g) of K.S.A. 46-1106,  
23 K.S.A. 46-1114, or K.S.A. 79-32,153a, and amendments thereto, it shall  
24 be unlawful for *the secretary*, the director, any deputy, agent, clerk or  
25 other officer, employee or former employee of the department of revenue  
26 or any other state officer or employee or former state officer or employee  
27 to divulge, or to make known in any way, the amount of income or any  
28 particulars set forth or disclosed in any report, return, federal return or  
29 federal return information required under this act; and it shall be unlawful  
30 for *the secretary*, the director, any deputy, agent, clerk or other officer  
31 or employee engaged in the administration of this act to engage in the  
32 business or profession of tax accounting or to accept employment, with  
33 or without consideration, from any person, firm or corporation for the  
34 purpose, directly or indirectly, of preparing tax returns or reports required  
35 by the laws of the state of Kansas, by any other state or by the United  
36 States government, or to accept any employment for the purpose of ad-  
37 vising, preparing material or data, or the auditing of books or records to  
38 be used in an effort to defeat or cancel any tax or part thereof that has  
39 been assessed by the state of Kansas, any other state or by the United  
40 States government.

41 (c) ~~Nothing in this section shall be construed to prohibit the publi-~~  
42 ~~cation of~~ *The secretary or the secretary's designee may: (1) Publish* sta-  
43 tistics, so classified as to prevent the identification of particular reports



- 1 or returns and the items thereof; ~~or;~~
- 2 (2) *allow* the inspection of returns by the attorney general or other  
3 legal representatives of the state. ~~Nothing in this section shall prohibit;~~
- 4 (3) *provide* the post auditor ~~from~~ access to all income tax reports or  
5 returns in accordance with and subject to the provisions of subsection (g)  
6 of K.S.A. 46-1106 or K.S.A. 46-1114, and amendments thereto. ~~Nothing~~  
7 ~~in this section shall be construed to prohibit the disclosure of;~~
- 8 (4) *disclose* taxpayer information from income tax returns to persons  
9 or entities contracting with the secretary of revenue where the secretary  
10 has determined disclosure of such information is essential for completion  
11 of the contract and has taken appropriate steps to preserve confidentiality.  
12 ~~Nothing in this section shall be construed to prohibit the disclosure of~~  
13 ~~job creation and investment information derived from tax schedules re-~~  
14 ~~quired to be filed under the Kansas income tax act to the secretary of~~  
15 ~~commerce. Nothing in this section shall be construed to prohibit the~~  
16 ~~disclosure of;~~
- 17 (5) *disclose to the secretary of commerce specific taxpayer informa-*  
18 *tion concerning or relevant to any income tax credits and amounts thereof*  
19 *claimed by such taxpayer or evaluating the effectiveness of any tax credit*  
20 *program;*
- 21 (6) *disclose* income tax returns to the state gaming agency to be used  
22 solely for the purpose of determining qualifications of licensees of and  
23 applicants for licensure in tribal gaming. Any information received by the  
24 state gaming agency shall be confidential and shall not be disclosed except  
25 to the executive director, employees of the state gaming agency and mem-  
26 bers and employees of the tribal gaming commission. ~~Nothing in this~~  
27 ~~section shall be construed to prohibit the disclosure of;~~
- 28 (7) *disclose* the taxpayer's name, last known address and residency  
29 status to the department of wildlife and parks to be used solely in its  
30 license fraud investigations. ~~Nothing in this section shall prohibit the dis-~~  
31 ~~closure of;~~
- 32 (8) *disclose* the name, residence address, employer or Kansas ad-  
33 justed gross income of a taxpayer who may have a duty of support in a  
34 title IV-D case to the secretary of the Kansas department of social and  
35 rehabilitation services for use solely in administrative or judicial proceed-  
36 ings to establish, modify or enforce such support obligation in a title IV-  
37 D case. In addition to any other limits on use, such use shall be allowed  
38 only where subject to a protective order which prohibits disclosure out-  
39 side of the title IV-D proceeding. As used in this section, "title IV-D  
40 case" means a case being administered pursuant to part D of title IV of  
41 the federal social security act (42 U.S.C. § 651 *et seq.*) and amendments  
42 thereto. Any person receiving any information under the provisions of  
43 this subsection shall be subject to the confidentiality provisions of sub-

1 section (b) and to the penalty provisions of subsection (d);  
2 ~~— (d) Any violation of subsection (b) or (c) is a class B nonperson mis-~~  
3 ~~demeanor and, if the offender is an officer or employee of the state, such~~  
4 ~~officer or employee shall be dismissed from office.~~  
5 ~~— (e) Notwithstanding the provisions of this section, the secretary of~~  
6 ~~revenue may:~~  
7 (9) permit the commissioner of internal revenue of the United States,  
8 or the proper official of any state imposing an income tax, or the author-  
9 ized representative of either, to inspect the income tax returns made  
10 under this act and the secretary of revenue may make available or furnish  
11 to the taxing officials of any other state or the commissioner of internal  
12 revenue of the United States or other taxing officials of the federal gov-  
13 ernment, or their authorized representatives, information contained in  
14 income tax reports or returns or any audit thereof or the report of any  
15 investigation made with respect thereto, filed pursuant to the income tax  
16 laws, as the secretary may consider proper, but such information shall not  
17 be used for any other purpose than that of the administration of tax laws  
18 of such state, the state of Kansas or of the United States;  
19 ~~— (f) Notwithstanding the provisions of this section, the secretary of~~  
20 ~~revenue may:~~  
21 ~~— (1);~~  
22 (10) communicate to the executive director of the Kansas lottery in-  
23 formation as to whether a person, partnership or corporation is current  
24 in the filing of all applicable tax returns and in the payment of all taxes,  
25 interest and penalties to the state of Kansas, excluding items under formal  
26 appeal, for the purpose of determining whether such person, partnership  
27 or corporation is eligible to be selected as a lottery retailer;  
28 ~~(2)~~ (11) communicate to the executive director of the Kansas racing  
29 commission as to whether a person, partnership or corporation has failed  
30 to meet any tax obligation to the state of Kansas for the purpose of de-  
31 termining whether such person, partnership or corporation is eligible for  
32 a facility owner license or facility manager license pursuant to the Kansas  
33 parimutuel racing act; ~~and~~  
34 ~~— (3)~~ (12) provide such information to the president of Kansas, Inc. as  
35 required by K.S.A. 74-8017, and amendments thereto. The president and  
36 any employees or former employees of Kansas, Inc. receiving any such  
37 information shall be subject to the confidentiality provisions of subsection  
38 (b) and to the penalty provisions of subsection (d); *and*  
39 (13) *disclose specific taxpayer information to the governor, secretary*  
40 *of commerce or any state senator or representative, if the secretary de-*  
41 *termines that such information would be relevant to determining the fiscal*  
42 *impact of any introduced legislative proposal. The confidentiality of such*  
43 *information shall be protected and any discussion involving such specific*

1 *taxpayer information by a legislative body shall be prohibited.*

2 *(d) Any violation of subsection (b) or (c) is a class B nonperson mis-*  
3 *demeanor and, if the offender is an officer or employee of the state, such*  
4 *officer or employee shall be dismissed from office.*

5 ~~(g)~~ *(e) Nothing in this section shall be construed to allow disclosure*  
6 *of the amount of income or any particulars set forth or disclosed in any*  
7 *report, return, federal return or federal return information, where such*  
8 *disclosure is prohibited by the federal internal revenue code as in effect*  
9 *on September 1, 1996, and amendments thereto, related federal internal*  
10 *revenue rules or regulations, or other federal law.*

11 *Sec. 5. K.S.A. 79-3392 is hereby amended to read as follows: 79-*  
12 *3392. The provisions of K.S.A. 75-5133, 79-3610, 79-3611, 79-3612, 79-*  
13 *3613, ~~79-3614~~, 79-3615 and 79-3617, and amendments thereto, relating*  
14 *to the assessment, collection, appeal and administration of the retailers'*  
15 *sales tax, insofar as practical, shall have full force and effect with respect*  
16 *to taxes imposed by this act.*

17 *Sec. 6. K.S.A. 79-3614 is hereby amended to read as follows: 79-*  
18 *3614. ~~All information received by the director from returns filed under~~*  
19 *this act, or from any investigations conducted under the provisions of this*  
20 *act, shall be confidential, except for official purposes, and it shall be un-*  
21 *lawful for any officer or employee of such director to divulge any such*  
22 *information in any manner, except in accordance with a proper judicial*  
23 *order, or as provided in K.S.A. 74-2424, and amendments thereto. The*  
24 *post auditor shall have access to all such information in accordance with*  
25 *and subject to the provisions of subsection (g) of K.S.A. 46-1106, and*  
26 *amendments thereto. Nothing in this section shall be construed to pro-*  
27 *hibit the disclosure of taxpayer information from sales tax returns to per-*  
28 *sons or entities contracting with the secretary of revenue where the sec-*  
29 *retary has determined disclosure of such information is essential for*  
30 *completion of the contract and has taken appropriate steps to preserve*  
31 *confidentiality. Notwithstanding the provisions of this section, the sec-*  
32 *retary of revenue may provide such information to the president of Kan-*  
33 *sas, Inc. as required by K.S.A. 1997 Supp. 74-8017, and amendments*  
34 *thereto. Any person receiving any such information pursuant to this sec-*  
35 *tion shall be subject to the same duty of confidentiality imposed on of-*  
36 *ficers and employees of the department of revenue by this section and*  
37 *shall be subject to any civil or criminal penalties imposed by law for*  
38 *violations of such duty of confidentiality. Any information obtained by*  
39 *the department of revenue in connection with administration of the Kan-*  
40 *sas retailer's sales tax act is subject to the confidentiality provisions as set*  
41 *forth in K.S.A. 75-5133, and amendments thereto.*

42 *Sec. 7. K.S.A. 2003 Supp. 79-3657 is hereby amended to read as*  
43 *follows: 79-3657. Return information submitted to any party or parties*

1 acting for and on behalf of the state shall be treated as confidential. Dis-  
2 closure of such information necessary under K.S.A. 2003 Supp. 79-3655  
3 and 79-3656 shall be pursuant to a written agreement between the de-  
4 partment and the party or parties. Such party or parties shall be bound  
5 by the same requirements of confidentiality as the department, under  
6 K.S.A. ~~79-3614~~ 75-5133, and amendments thereto.

7 Sec. 8. K.S.A. 79-4105 is hereby amended to read as follows: 79-  
8 4105. The provisions of K.S.A. 75-5133, 79-3605, 79-3609, 79-3610, 79-  
9 3611, 79-3612, 79-3613, ~~79-3614~~, 79-3615, 79-3617 and 79-3619, and acts  
10 amendatory thereof or supplemental thereto, relating to enforcement,  
11 collection and administration, insofar as practicable, shall have full force  
12 and effect with respect to taxes imposed under the provisions of K.S.A.  
13 79-4101 to 79-4104, inclusive, ~~and~~. Wherever the word "director" is used  
14 in ~~said sections~~ *such statutes* it shall be construed to mean, for the pur-  
15 poses of this act, the director of taxation. The provisions of K.S.A. 74-  
16 2422, 74-2425, 74-2426 and 74-2427, and acts amendatory thereof or  
17 supplemental thereto, relating to the approval of rules and regulations,  
18 and the adoption of uniform rules and regulations for ~~said~~ *such* hearings  
19 and for appeals from orders of the director of taxation and prescribing  
20 the duties of county attorneys with respect to such appeals, insofar as  
21 practicable, shall have full force and effect with respect to taxes imposed  
22 by, and proceedings under, the provisions of K.S.A. 79-4101 to 79-4108,  
23 inclusive, *and amendments thereto*.

24 Sec. 9. K.S.A. 79-1119, 79-3392, 79-3614 and 79-4105 and K.S.A.  
25 2003 Supp. 12-189, 75-5133, 79-3234 and 79-3657 are hereby repealed.

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