

SENATE BILL No. 302

By Committee on Ways and Means

3-16

9 AN ACT concerning taxation; relating to city and county retailers' sales
10 tax; classes of cities; amending K.S.A. 12-195b and K.S.A. 2004 Supp.
11 12-187, 12-188, 12-189 and 12-192 and repealing the existing sections.
12

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

14 Section 1. K.S.A. 2004 Supp. 12-187 is hereby amended to read as
15 follows: 12-187. (a) (1) No city shall impose a retailers' sales tax under
16 the provisions of this act without the governing body of such city having
17 first submitted such proposition to and having received the approval of a
18 majority of the electors of the city voting thereon at an election called
19 and held therefor. The governing body of any city may submit the ques-
20 tion of imposing a retailers' sales tax and the governing body shall be
21 required to submit the question upon submission of a petition signed by
22 electors of such city equal in number to not less than 10% of the electors
23 of such city.

24 (2) The governing body of any ~~class B city located in any county which~~
25 ~~does not impose a countywide retailers' sales tax pursuant to paragraph~~
26 ~~(5) of subsection (b)~~ may submit the question of imposing a retailers' sales
27 tax at the rate of .125%, .25%, .5%, .75% or 1% and pledging the revenue
28 received therefrom for the purpose of financing the provision of health
29 care services, *economic development initiatives, strategic planning initia-*
30 *tives or for public infrastructure projects including buildings*, as enumer-
31 ated in the question, to the electors at an election called and held thereon.
32 The tax imposed pursuant to this paragraph shall be deemed to be in
33 addition to the rate limitations prescribed in *subsection (a) of K.S.A. 12-*
34 *189, and amendments thereto*. As used in this paragraph, health care
35 services shall include but not be limited to the following: Local health
36 departments, city, county or district hospitals, city or county nursing
37 homes, preventive health care services including immunizations, prenatal
38 care and the postponement of entry into nursing homes by home health
39 care services, mental health services, indigent health care, physician or
40 health care worker recruitment, health education, emergency medical
41 services, rural health clinics, integration of health care services, home
42 health services and rural health networks. *The tax imposed pursuant to*
43 *this paragraph may provide that it shall expire when sales tax sufficient*

1 *to pay all of the costs incurred in the financing of such facility has been*
2 *collected by retailers as determined by the secretary of revenue, if so*
3 *approved by the electors. Alternatively, the tax imposed pursuant to this*
4 *paragraph may provide that it shall expire after five years from the date*
5 *such tax is first collected, and if such tax was imposed after July 1, 2000,*
6 *after ten years from the date such tax is first collected, if so approved by*
7 *the electors. If any funds remain upon the payment of all costs authorized*
8 *pursuant to this paragraph in the financing of such projects in the city,*
9 *the state treasurer shall remit such funds to the treasurer of the city who*
10 *shall deposit such moneys to the credit of the city general fund.*

11 (b) (1) The board of county commissioners of any county may submit
12 the question of imposing a countywide retailers' sales tax to the electors
13 at an election called and held thereon, and any such board shall be re-
14 quired to submit the question upon submission of a petition signed by
15 electors of such county equal in number to not less than 10% of the
16 electors of such county who voted at the last preceding general election
17 for the office of secretary of state, or upon receiving resolutions request-
18 ing such an election passed by not less than $\frac{2}{3}$ of the membership of the
19 governing body of each of one or more cities within such county which
20 contains a population of not less than 25% of the entire population of the
21 county, or upon receiving resolutions requesting such an election passed
22 by $\frac{2}{3}$ of the membership of the governing body of each of one or more
23 taxing subdivisions within such county which levy not less than 25% of
24 the property taxes levied by all taxing subdivisions within the county.

25 (2) The board of county commissioners of ~~Anderson, Atchison, Bar-~~
26 ~~ton, Butler, Chase, Cowley, Cherokee, Crawford, Ford, Jefferson, Lyon,~~
27 ~~Montgomery, Neosho, Osage, Ottawa, Riley, Saline, Seward, Sumner,~~
28 ~~Wabaunsee, Wilson and Wyandotte counties~~ *any county* may submit the
29 question of imposing a countywide retailers' sales tax *at the rate of .125%,*
30 *.25%, .5%, .75% or 1%* and pledging the revenue received therefrom for
31 the purpose of financing the construction or remodeling of a courthouse,
32 jail, law enforcement center facility or other county administrative facility,
33 *reservoir project, construction of highway projects identified as system*
34 *enhancements under the provisions of paragraph (5) of subsection (b) of*
35 *K.S.A. 68-2314, and amendments thereto, the provision of health care*
36 *services, the costs of operation and construction of a solid waste disposal*
37 *area or the modification of an existing landfill to comply with federal*
38 *regulations, the costs of roadway construction and improvement, indus-*
39 *trial and business parks and other economic development initiatives, stra-*
40 *tegic planning initiatives or public infrastructure projects, recreational*
41 *facilities, preservation, access and management of open space, to the elec-*
42 *tors at an election called and held thereon. The tax imposed pursuant to*
43 *this paragraph may provide that it shall expire when sales tax sufficient*

1 to pay all of the costs incurred in the financing of such facility has been
2 collected by retailers as determined by the secretary of revenue, *if so*
3 *approved by the electors. Alternatively, the tax imposed pursuant to this*
4 *paragraph may provide that it shall expire after five years from the date*
5 *such tax is first collected, if so approved by the electors. If any funds*
6 *remain after the payment of all costs authorized pursuant to this para-*
7 *graph in the financing of such projects in the county, the state treasurer*
8 *shall remit such funds to the treasurer of the county who shall deposit*
9 *such moneys to the credit of the county general fund. As used in this*
10 *paragraph, health care services shall include, but not be limited to, the*
11 *following: Local health departments, city or county hospitals, city or*
12 *county nursing homes, preventive health care services including immu-*
13 *nizations, prenatal care and the postponement of entry into nursing homes*
14 *by home care services, mental health services, indigent health care, phy-*
15 *sician or health care worker recruitment, health education, emergency*
16 *medical services, rural health clinics, integration of health care services,*
17 *home health services and rural health networks. The tax imposed pursuant*
18 *to this paragraph shall be deemed to be in addition to the rate limitations*
19 *prescribed in subsection (a) of K.S.A. 12-189, and amendments thereto.*
20 ~~Nothing in this paragraph shall be construed to allow the rate of tax~~
21 ~~imposed by Butler, Chase, Cowley, Lyon, Montgomery, Neosho, Riley,~~
22 ~~Sumner or Wilson county pursuant to this paragraph to exceed or be~~
23 ~~imposed at any rate other than the rates prescribed in K.S.A. 12-189, and~~
24 ~~amendments thereto.~~
25 ~~—(3) (A) Except as otherwise provided in this paragraph, the result of~~
26 ~~the election held on November 8, 1988, on the question submitted by~~
27 ~~the board of county commissioners of Jackson county for the purpose of~~
28 ~~increasing its countywide retailers' sales tax by 1% is hereby declared~~
29 ~~valid, and the revenue received therefrom by the county shall be ex-~~
30 ~~pended solely for the purpose of financing the Banner Creek reservoir~~
31 ~~project. The tax imposed pursuant to this paragraph shall take effect on~~
32 ~~the effective date of this act and shall expire not later than five years after~~
33 ~~such date.~~
34 ~~—(B) The result of the election held on November 8, 1994, on the~~
35 ~~question submitted by the board of county commissioners of Ottawa~~
36 ~~county for the purpose of increasing its countywide retailers' sales tax by~~
37 ~~1% is hereby declared valid, and the revenue received therefrom by the~~
38 ~~county shall be expended solely for the purpose of financing the erection,~~
39 ~~construction and furnishing of a law enforcement center and jail facility.~~
40 ~~—(4) The board of county commissioners of Finney and Ford counties~~
41 ~~may submit the question of imposing a countywide retailers' sales tax at~~
42 ~~the rate of .25% and pledging the revenue received therefrom for the~~
43 ~~purpose of financing all or any portion of the cost to be paid by Finney~~

1 or Ford county for construction of highway projects identified as system
2 enhancements under the provisions of paragraph (5) of subsection (b) of
3 K.S.A. 68-2314, and amendments thereto, to the electors at an election
4 called and held thereon. Such election shall be called and held in the
5 manner provided by the general bond law. The tax imposed pursuant to
6 this paragraph shall expire upon the payment of all costs authorized pur-
7 suant to this paragraph in the financing of such highway projects. Nothing
8 in this paragraph shall be construed to allow the rate of tax imposed by
9 Finney or Ford county pursuant to this paragraph to exceed the maximum
10 rate prescribed in K.S.A. 12-189, and amendments thereto. If any funds
11 remain upon the payment of all costs authorized pursuant to this para-
12 graph in the financing of such highway projects in Finney county, the
13 state treasurer shall remit such funds to the treasurer of Finney county
14 and upon receipt of such moneys shall be deposited to the credit of the
15 county road and bridge fund. If any funds remain upon the payment of
16 all costs authorized pursuant to this paragraph in the financing of such
17 highway projects in Ford county, the state treasurer shall remit such funds
18 to the treasurer of Ford county and upon receipt of such moneys shall
19 be deposited to the credit of the county road and bridge fund.

20 ~~—(5)—~~ The board of county commissioners of any county may submit the
21 question of imposing a retailers' sales tax at the rate of .25%, .5%, .75%
22 or 1% and pledging the revenue received therefrom for the purpose of
23 financing the provision of health care services, as enumerated in the ques-
24 tion, to the electors at an election called and held thereon. Whenever any
25 county imposes a tax pursuant to this paragraph, any tax imposed pursuant
26 to paragraph (2) of subsection (a) by any city located in such county shall
27 expire upon the effective date of the imposition of the countywide tax,
28 and thereafter the state treasurer shall remit to each such city that portion
29 of the countywide tax revenue collected by retailers within such city as
30 certified by the director of taxation. The tax imposed pursuant to this
31 paragraph shall be deemed to be in addition to the rate limitations pre-
32 scribed in K.S.A. 12-189, and amendments thereto. As used in this par-
33 agraph, health care services shall include but not be limited to the follow-
34 ing: Local health departments, city or county hospitals, city or county
35 nursing homes, preventive health care services including immunizations,
36 prenatal care and the postponement of entry into nursing homes by home
37 care services, mental health services, indigent health care, physician or
38 health care worker recruitment, health education, emergency medical
39 services, rural health clinics, integration of health care services, home
40 health services and rural health networks.

41 ~~—(6)—~~ The board of county commissioners of Allen county may submit
42 the question of imposing a countywide retailers' sales tax at the rate of
43 .5% and pledging the revenue received therefrom for the purpose of

1 financing the costs of operation and construction of a solid waste disposal
2 area or the modification of an existing landfill to comply with federal
3 regulations to the electors at an election called and held thereon. The tax
4 imposed pursuant to this paragraph shall expire upon the payment of all
5 costs incurred in the financing of the project undertaken. Nothing in this
6 paragraph shall be construed to allow the rate of tax imposed by Allen
7 county pursuant to this paragraph to exceed or be imposed at any rate
8 other than the rates prescribed in K.S.A. 12-189 and amendments
9 thereto.

10 —(7)—The board of county commissioners of Clay, Dickinson and Miami
11 county may submit the question of imposing a countywide retailers' sales
12 tax at the rate of .50% in the case of Clay and Dickinson county and at a
13 rate of up to 1% in the case of Miami county, and pledging the revenue
14 received therefrom for the purpose of financing the costs of roadway
15 construction and improvement to the electors at an election called and
16 held thereon. Except as otherwise provided, the tax imposed pursuant to
17 this paragraph shall expire after five years from the date such tax is first
18 collected. The countywide retailers' sales tax imposed pursuant to this
19 subsection in Clay county may be extended or reenacted for additional
20 five-year periods upon the board of county commissioners of Clay county
21 submitting such question to the electors at an election called and held
22 thereon for each additional five-year period as provided by law.

23 —(8)—The board of county commissioners of Sherman county may sub-
24 mit the question of imposing a countywide retailers' sales tax at the rate
25 of .25%, .5% or .75% and pledging the revenue therefrom for the purpose
26 of financing the costs of the county roads 64 and 65 construction and
27 improvement project. The tax imposed pursuant to this paragraph shall
28 expire upon payment of all costs authorized pursuant to this paragraph
29 in the financing of such project.

30 —(9)—The board of county commissioners of Cowley, Russell and
31 Woodson county may submit the question of imposing a countywide re-
32 tailers' sales tax at the rate of .5% in the case of Russell and Woodson
33 county and at a rate of up to .25%, in the case of Cowley county and
34 pledging the revenue received therefrom for the purpose of financing
35 economic development initiatives or public infrastructure projects. The
36 tax imposed pursuant to this paragraph shall expire after five years from
37 the date such tax is first collected.

38 —(10)—The board of county commissioners of Franklin county may sub-
39 mit the question of imposing a countywide retailers' sales tax at the rate
40 of .25% and pledging the revenue received therefrom for the purpose of
41 financing recreational facilities. The tax imposed pursuant to this para-
42 graph shall expire upon payment of all costs authorized in financing such
43 facilities.

1 ~~—(11) The board of county commissioners of Douglas county may submit to the question of imposing a countywide retailers' sales tax at the~~
2 ~~rate of .25% and pledging the revenue received therefrom for the purposes of preservation, access and management of open space, and for~~
3 ~~industrial and business park related economic development.~~

4 ~~—(12) The board of county commissioners of Shawnee county may submit the question of imposing a countywide retailers' sales tax at the rate~~
5 ~~of .25% and pledging the revenue received therefrom to the city of Topeka for the purpose of financing the costs of rebuilding the Topeka~~
6 ~~boulevard bridge and other public infrastructure improvements associated with such project to the electors at an election called and held~~
7 ~~thereon. The tax imposed pursuant to this paragraph shall expire upon payment of all costs authorized in financing such project.~~

8 ~~—(13) The board of county commissioners of Jackson county may submit the question of imposing a countywide retailers' sales tax at a rate of~~
9 ~~.4% and pledging the revenue received therefrom as follows: 50% of such revenues for the purpose of financing for economic development initiatives, and 50% of such revenues for the purpose of financing public infrastructure projects to the electors at an election called and held thereon.~~
10 ~~The tax imposed pursuant to this paragraph shall expire after seven years from the date such tax is first collected.~~

11 ~~(c) The boards of county commissioners of any two or more contiguous counties, upon adoption of a joint resolution by such boards, may~~
12 ~~submit the question of imposing a retailers' sales tax within such counties to the electors of such counties at an election called and held thereon~~
13 ~~and such boards of any two or more contiguous counties shall be required to submit such question upon submission of a petition in each of such~~
14 ~~counties, signed by a number of electors of each of such counties where submitted equal in number to not less than 10% of the electors of each~~
15 ~~of such counties who voted at the last preceding general election for the office of secretary of state, or upon receiving resolutions requesting such~~
16 ~~an election passed by not less than $\frac{2}{3}$ of the membership of the governing body of each of one or more cities within each of such counties which~~
17 ~~contains a population of not less than 25% of the entire population of each of such counties, or upon receiving resolutions requesting such an~~
18 ~~election passed by $\frac{2}{3}$ of the membership of the governing body of each of one or more taxing subdivisions within each of such counties which~~
19 ~~levy not less than 25% of the property taxes levied by all taxing subdivisions within each of such counties.~~

20 ~~(d) Any city retailers' sales tax in the amount of .5% being levied by a city on July 1, 1990, shall continue in effect until repealed in the manner~~
21 ~~provided herein for the adoption and approval of such tax or until repealed by the adoption of an ordinance so providing. In addition to any~~
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1 city retailers' sales tax being levied by a city on July 1, 1990, any such city
2 may adopt an additional city retailers' sales tax in the amount of .25% or
3 .5%, provided that such additional tax is adopted and approved in the
4 manner provided for the adoption and approval of a city retailers' sales
5 tax. Any countywide retailers' sales tax in the amount of .5% or 1% in
6 effect on July 1, 1990, shall continue in effect until repealed in the manner
7 provided herein for the adoption and approval of such tax.

8 ~~(c)~~ A class D city shall have the same power to levy and collect a city
9 retailers' sales tax that a class A city is authorized to levy and collect and
10 in addition, the governing body of any class D city may submit the ques-
11 tion of imposing an additional city retailers' sales tax in the amount of
12 .125%, .25%, .5% or .75% and pledging the revenue received therefrom
13 for economic development initiatives, strategic planning initiatives or for
14 public infrastructure projects including buildings to the electors at an
15 election called and held thereon. Any additional sales tax imposed pur-
16 suant to this paragraph shall expire no later than five years from the date
17 of imposition thereof, except that any such tax imposed by any class D
18 city after the effective date of this act shall expire no later than 10 years
19 from the date of imposition thereof.

20 ~~(f)~~ Any city or county proposing to adopt a retailers' sales tax shall
21 give notice of its intention to submit such proposition for approval by the
22 electors in the manner required by K.S.A. 10-120, and amendments
23 thereto. The notices shall state the time of the election and the rate and
24 effective date of the proposed tax. If a majority of the electors voting
25 thereon at such election fail to approve the proposition, such proposition
26 may be resubmitted under the conditions and in the manner provided in
27 this act for submission of the proposition. If a majority of the electors
28 voting thereon at such election shall approve the levying of such tax, the
29 governing body of any such city or county shall provide by ordinance or
30 resolution, as the case may be, for the levy of the tax. Any repeal of such
31 tax or any reduction or increase in the rate thereof, within the limits
32 prescribed by K.S.A. 12-189, and amendments thereto, shall be accom-
33 plished in the manner provided herein for the adoption and approval of
34 such tax except that the repeal of any such city retailers' sales tax may be
35 accomplished by the adoption of an ordinance so providing.

36 ~~(g)~~ (e) The sufficiency of the number of signers of any petition filed
37 under this section shall be determined by the county election officer.
38 Every election held under this act shall be conducted by the county elec-
39 tion officer.

40 ~~(h)~~ (f) The governing body of the city or county proposing to levy any
41 retailers' sales tax shall specify the purpose or purposes for which the
42 revenue would be used, and a statement generally describing such pur-
43 pose or purposes shall be included as a part of the ballot proposition.

1 (g) Any city retailers' sales tax levied by a city prior to July 1, 2005,
 2 pursuant to home rule authority shall continue in effect until repealed in
 3 the manner provided in this section for the adoption and approval of such
 4 tax or until repealed by the adoption of an ordinance for such repeal.

5 Sec. 2. K.S.A. 2004 Supp. 12-188 is hereby amended to read as fol-
 6 lows: 12-188. The following classes of cities are hereby established for
 7 the purpose of imposing limitations and prohibitions upon the levying of
 8 sales and excise taxes or taxes in the nature of an excise upon sales or
 9 transfers of personal or real property or the use thereof, or the rendering
 10 or furnishing of services by cities as authorized and provided by article
 11 12, section 5, of the constitution of the state of Kansas:

12 Class A cities. All cities in the state of Kansas which have the authority
 13 to levy and collect excise taxes or taxes in the nature of an excise upon
 14 the sales or transfers of personal or real property or the use thereof, or
 15 the rendering or furnishing of services by cities.

16 Class B cities. All cities in the state of Kansas ~~which have the authority~~
 17 ~~to levy and collect excise taxes or taxes in the nature of an excise upon~~
 18 ~~the sales or transfers of personal or real property or the use thereof, or~~
 19 ~~the rendering or furnishing of services for the purpose of financing the~~
 20 ~~provision of health care services that have levied city retailers' sales taxes~~
 21 ~~pursuant to home rule authority prior to July 1, 2005.~~

22 Class C cities. All cities in the state of Kansas having a population of
 23 more than 200,000 located in a county having a population of more than
 24 350,000 which has the authority to levy and collect excise taxes or taxes
 25 in the nature of an excise upon the sales or transfers of personal or real
 26 property or the use thereof, or the rendering or furnishing of services:

27 ~~—Class D cities. All cities in the state of Kansas located in Cowley, Ellis,~~
 28 ~~Ellsworth, Finney, Harper, Johnson, Labette, Lyon, Montgomery, Osage,~~
 29 ~~Reno, Woodson or Wyandotte county or in both Riley and Pottawatomic~~
 30 ~~counties which have the authority to levy and collect excise taxes or taxes~~
 31 ~~in the nature of an excise upon the sales or transfers of personal or real~~
 32 ~~property or the use thereof, or the rendering or furnishing of services.~~

33 Sec. 3. K.S.A. 2004 Supp. 12-189 is hereby amended to read as fol-
 34 lows: 12-189. Except as otherwise provided by paragraph (2) of subsection
 35 (a) of K.S.A. 12-187, and amendments thereto, the rate of any class A,
 36 class B or class C city retailers' sales tax shall be fixed in the amount of
 37 .25%, .5%, .75% or 1% which amount shall be determined by the gov-
 38 erning body of the city. ~~Except as otherwise provided by paragraph (2)~~
 39 ~~of subsection (a) of K.S.A. 12-187, and amendments thereto, the rate of~~
 40 ~~any class D city retailers' sales tax shall be fixed in the amount of .10%,~~
 41 ~~.25%, .5%, .75%, 1%, 1.125%, 1.25%, 1.5% or 1.75%.~~ The rate of any
 42 countywide retailers' sales tax shall be fixed in an amount of either .25%,
 43 .5%, .75% or 1% which amount shall be determined by the board of

1 county commissioners, except that:

- 2 (a) The board of county commissioners of ~~Wabaunsee any~~ county,
- 3 for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and
- 4 amendments thereto, may fix such rate at ~~1.25%~~; the board of county
- 5 commissioners of Osage county, for the purposes of paragraph (2) of
- 6 subsection (b) of K.S.A. 12-187, and amendments thereto, may fix such
- 7 rate at 1.25% or 1.5%; the board of county commissioners of Cherokee,
- 8 Crawford, Ford, Saline, Seward or Wyandotte county, for the purposes
- 9 of paragraph (2) of subsection (b) of K.S.A. 12-187, and amendments
- 10 thereto, may fix such rate at 1.5%; the board of county commissioners of
- 11 Atchison county, for the purposes of paragraph (2) of subsection (b) of
- 12 K.S.A. 12-187, and amendments thereto, may fix such rate at 1.5% or
- 13 1.75% and the board of county commissioners of Anderson, Barton, Jef-
- 14 ferson or Ottawa county, for the purposes of paragraph (2) of subsection
- 15 (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at 2%
- 16 *the rate within the limitations in subsection (a), plus the rate within the*
- 17 *limitations in subsection (b)(2) of K.S.A. 12-187, and amendments thereto;*
- 18 *or*
- 19 (b) ~~the board of county commissioners of Jackson county, for the~~
- 20 ~~purposes of paragraph (3) of subsection (b) of K.S.A. 12-187, and amend-~~
- 21 ~~ments thereto, may fix such rate at 2%;~~
- 22 ~~—(c) the boards of county commissioners of Finney and Ford counties,~~
- 23 ~~for the purposes of paragraph (4) of subsection (b) of K.S.A. 12-187, and~~
- 24 ~~amendments thereto, may fix such rate at .25%;~~
- 25 ~~—(d) the board of county commissioners of any county for the purposes~~
- 26 ~~of paragraph (5) of subsection (b) of K.S.A. 12-187, and amendments~~
- 27 ~~thereto, may fix such rate at a percentage which is equal to the sum of~~
- 28 ~~the rate allowed to be imposed by a board of county commissioners on~~
- 29 ~~the effective date of this act plus .25%, .5%, .75% or 1%, as the case~~
- 30 ~~requires;~~
- 31 ~~—(e) the board of county commissioners of Dickinson county, for the~~
- 32 ~~purposes of paragraph (7) of subsection (b) of K.S.A. 12-187, and amend-~~
- 33 ~~ments thereto, may fix such rate at 1.5%, and the board of county com-~~
- 34 ~~missioners of Miami county, for the purposes of paragraph (7) of subsec-~~
- 35 ~~tion (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at~~
- 36 ~~1.25%, 1.5%, 1.75% or 2%;~~
- 37 ~~—(f) the board of county commissioners of Sherman county, for the~~
- 38 ~~purposes of paragraph (8) of subsection (b) of K.S.A. 12-187, and amend-~~
- 39 ~~ments thereto, may fix such rate at 1.5%, 1.75% or 2%;~~
- 40 ~~—(g) the board of county commissioners of Russell county for the pur-~~
- 41 ~~poses of paragraph (9) of subsection (b) of K.S.A. 12-187, and amend-~~
- 42 ~~ments thereto, may fix such rate at 1.5%;~~
- 43 ~~—(h) the board of county commissioners of Franklin county, for the~~

1 ~~purposes of paragraph (10) of subsection (b) of K.S.A. 12-187, and~~
 2 ~~amendments thereto, may fix such rate at 1.75%,~~
 3 ~~—(i) the board of county commissioners of Douglas county, for the~~
 4 ~~purposes of paragraph (11) of subsection (b) of K.S.A. 12-187, and~~
 5 ~~amendments thereto, may fix such rate at 1.25%, or~~
 6 ~~—(j) the board of county commissioners of Jackson county, for the pur-~~
 7 ~~poses of subsection (b)(13) of K.S.A. 12-187 and amendments thereto,~~
 8 ~~may fix such rate at 1.4% any city retailers' sales tax levied by a city prior~~
 9 ~~to July 1, 2005, pursuant to home rule authority shall continue in effect~~
 10 ~~until repealed in the manner provided in this section for the adoption and~~
 11 ~~approval of such tax or until repealed by the adoption of an ordinance~~
 12 ~~providing for such repeal.~~

13 Any county or city levying a retailers' sales tax is hereby prohibited
 14 from administering or collecting such tax locally, but shall utilize the serv-
 15 ices of the state department of revenue to administer, enforce and collect
 16 such tax. Except as otherwise specifically provided in K.S.A. 12-189a, and
 17 amendments thereto, such tax shall be identical in its application, and
 18 exemptions therefrom, to the Kansas retailers' sales tax act and all laws
 19 and administrative rules and regulations of the state department of rev-
 20 enue relating to the Kansas retailers' sales tax shall apply to such local
 21 sales tax insofar as such laws and rules and regulations may be made
 22 applicable. The state director of taxation is hereby authorized to admin-
 23 ister, enforce and collect such local sales taxes and to adopt such rules
 24 and regulations as may be necessary for the efficient and effective ad-
 25 ministration and enforcement thereof.

26 Upon receipt of a certified copy of an ordinance or resolution author-
 27 izing the levy of a local retailers' sales tax, the director of taxation shall
 28 cause such taxes to be collected within or without the boundaries of such
 29 taxing subdivision at the same time and in the same manner provided for
 30 the collection of the state retailers' sales tax. Such copy shall be submitted
 31 to the director of taxation within 30 days after adoption of any such or-
 32 dinance or resolution. All moneys collected by the director of taxation
 33 under the provisions of this section shall be credited to a county and city
 34 retailers' sales tax fund which fund is hereby established in the state treas-
 35 ury. Any refund due on any county or city retailers' sales tax collected
 36 pursuant to this act shall be paid out of the sales tax refund fund and
 37 reimbursed by the director of taxation from collections of local retailers'
 38 sales tax revenue. Except for local retailers' sales tax revenue required to
 39 be deposited in the redevelopment bond fund established under K.S.A.
 40 74-8927, and amendments thereto, all local retailers' sales tax revenue
 41 collected within any county or city pursuant to this act shall be appor-
 42 tioned and remitted at least quarterly by the state treasurer, on instruction
 43 from the director of taxation, to the treasurer of such county or city.

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

5 The director of taxation shall provide, upon request by a city or county
6 clerk or treasurer of any city or county levying a local retailers' sales tax,
7 monthly reports identifying each retailer having a place of business in
8 such city or county setting forth the tax liability and the amount of such
9 tax remitted by each retailer during the preceding month and identifying
10 each business location maintained by the retailer within such city or
11 county. Such report shall be made available to the clerk or treasurer of
12 such city or county within a reasonable time after it has been requested
13 from the director of taxation. The director of taxation shall be allowed to
14 assess a reasonable fee for the issuance of such report. Information re-
15 ceived by any city or county pursuant to this section shall be confidential,
16 and it shall be unlawful for any officer or employee of such city or county
17 to divulge any such information in any manner. Any violation of this par-
18 agraph by a city or county officer or employee is a class B misdemeanor,
19 and such officer or employee shall be dismissed from office.

20 Sec. 4. K.S.A. 2004 Supp. 12-192 is hereby amended to read as fol-
21 lows: 12-192. (a) Except as otherwise provided by subsection (b), (d) or
22 (h), all revenue received by the director of taxation from a countywide
23 retailers' sales tax shall be apportioned among the county and each city
24 located in such county in the following manner: (1) One-half of all reve-
25 nue received by the director of taxation shall be apportioned among the
26 county and each city located in such county in the proportion that the
27 total tangible property tax levies made in such county in the preceding
28 year for all funds of each such governmental unit bear to the total of all
29 such levies made in the preceding year, and (2) $\frac{1}{2}$ of all revenue received
30 by the director of taxation from such countywide retailers' sales tax shall
31 be apportioned among the county and each city located in such county,
32 first to the county that portion of the revenue equal to the proportion
33 that the population of the county residing in the unincorporated area of
34 the county bears to the total population of the county, and second to the
35 cities in the proportion that the population of each city bears to the total
36 population of the county, except that no persons residing within the Fort
37 Riley military reservation shall be included in the determination of the
38 population of any city located within Riley county. All revenue appor-
39 tioned to a county shall be paid to its county treasurer and shall be cred-
40 ited to the general fund of the county.

41 (b) ~~(h)~~ As an alternative and in lieu of the apportionment formula
42 provided in subsection (a), *the board of county commissioners of any*
43 *county may by resolution direct that all revenue received by the director*

1 of taxation from a countywide retailers' sales tax imposed within ~~Johnson~~
 2 *the* county at the rate of .75% or 1% after the effective date of this act
 3 may be apportioned among the county and each city located in such
 4 county in the following manner: (A) The revenue received from the first
 5 .5% rate of tax shall be apportioned in the manner prescribed by subsec-
 6 tion (a) and (B) the revenue received from the rate of tax exceeding .5%
 7 shall be apportioned as follows: (i) One-fourth shall be apportioned
 8 among the county and each city located in such county in the proportion
 9 that the total tangible property tax levies made in such county in the
 10 preceding year for all funds of each such governmental unit bear to the
 11 total of all such levies made in the preceding year and (ii) one-fourth shall
 12 be apportioned among the county and each city located in such county,
 13 first to the county that portion of the revenue equal to the proportion
 14 that the population of the county residing in the unincorporated area of
 15 the county bears to the total population of the county, and second to the
 16 cities in the proportion that the population of each city bears to the total
 17 population of the county and (iii) one-half shall be retained by the county
 18 for its sole use and benefit.

19 ~~(2) In lieu of the apportionment formula provided in subsection (a),~~
 20 ~~all money received by the director of taxation from a countywide sales tax~~
 21 ~~imposed within Montgomery county pursuant to the election held on~~
 22 ~~November 8, 1994, shall be remitted to and shall be retained by the~~
 23 ~~county and expended only for the purpose for which the revenue received~~
 24 ~~from the tax was pledged. All revenue apportioned and paid from the~~
 25 ~~imposition of such tax to the treasurer of any city prior to the effective~~
 26 ~~date of this act shall be remitted to the county treasurer and expended~~
 27 ~~only for the purpose for which the revenue received from the tax was~~
 28 ~~pledged.~~

29 (c) (1) Except as otherwise provided by paragraph (2) of this subsec-
 30 tion, for purposes of subsections (a) and (b), the term "total tangible
 31 property tax levies" means the aggregate dollar amount of tax revenue
 32 derived from ad valorem tax levies applicable to all tangible property
 33 located within each such city or county. The ad valorem property tax levy
 34 of any county or city district entity or subdivision shall be included within
 35 this term if the levy of any such district entity or subdivision is applicable
 36 to all tangible property located within each such city or county.

37 (2) For the purposes of subsections (a) and (b), any ad valorem prop-
 38 erty tax levied on property located in a city in ~~Johnson~~ *any* county for the
 39 purpose of providing fire protection service in such city shall be included
 40 within the term "total tangible property tax levies" for such city regardless
 41 of its applicability to all tangible property located within each such city.
 42 If the tax is levied by a district which extends across city boundaries, for
 43 purposes of this computation, the amount of such levy shall be appor-

1 tioned among each city in which such district extends in the proportion
2 that such tax levied within each city bears to the total tax levied by the
3 district.

4 (d) ~~(1)~~ All revenue received from a countywide retailers' sales tax
5 imposed pursuant to ~~paragraphs (2), (6), (7), (8), (9) or (12)~~ *paragraph*
6 (2) of subsection (b) of K.S.A. 12-187, and amendments thereto, shall be
7 remitted to and shall be retained by the county and expended only for
8 the purpose for which the revenue received from the tax was pledged.

9 ~~(2) Except as otherwise provided in paragraph (5) of subsection (b)~~
10 ~~of K.S.A. 12-187, and amendments thereto, all revenues received from a~~
11 ~~countywide retailers' sales tax imposed pursuant to paragraph (5) of sub-~~
12 ~~section (b) of K.S.A. 12-187, and amendments thereto, shall be remitted~~
13 ~~to and shall be retained by the county and expended only for the purpose~~
14 ~~for which the revenue received from the tax was pledged.~~

15 (e) All revenue apportioned to the several cities of the county shall
16 be paid to the respective treasurers thereof and deposited in the general
17 fund of the city. Whenever the territory of any city is located in two or
18 more counties and any one or more of such counties do not levy a coun-
19 tywide retailers' sales tax, or whenever such counties do not levy coun-
20 tywide retailers' sales taxes at a uniform rate, the revenue received by
21 such city from the proceeds of the countywide retailers' sales tax, as an
22 alternative to depositing the same in the general fund, may be used for
23 the purpose of reducing the tax levies of such city upon the taxable tan-
24 gible property located within the county levying such countywide retail-
25 ers' sales tax.

26 (f) Prior to March 1 of each year, the secretary of revenue shall advise
27 each county treasurer of the revenue collected in such county from the
28 state retailers' sales tax for the preceding calendar year.

29 (g) Prior to December 31 of each year, the clerk of every county
30 imposing a countywide retailers' sales tax shall provide such information
31 deemed necessary by the secretary of revenue to apportion and remit
32 revenue to the counties and cities pursuant to this section.

33 (h) The provisions of subsections (a) and (b) for the apportionment
34 of countywide retailers' sales tax shall not apply to any revenues received
35 pursuant to a county or countywide retailers' sales tax levied or collected
36 under K.S.A. 74-8929, and amendments thereto. All such revenue col-
37 lected under K.S.A. 74-8929, and amendments thereto, shall be deposited
38 into the redevelopment bond fund established by K.S.A. 74-8927, and
39 amendments thereto, for the period of time set forth in K.S.A. 74-8927,
40 and amendments thereto.

41 Sec. 5. K.S.A. 12-195b is hereby amended to read as follows: 12-
42 195b. The governing body of any city or county by the appropriate or-
43 dinance or resolution, may authorize the issuance of general obligation

1 bonds to provide for the payment of all or any portion of the cost of any
 2 public facilities or improvements for which such city or county is other-
 3 wise authorized pursuant to the constitution or laws of this state to issue
 4 general obligation bonds. The governing body may pledge revenues re-
 5 ceived from countywide or city retailers' sales taxes imposed pursuant to
 6 K.S.A. 12-187 *et seq.*, and amendments thereto, for the payment of such
 7 bonds. The pledge of revenues received from countywide or city retailers'
 8 sales taxes for payment of such bonds shall constitute an irrevocable
 9 pledge of the revenues and shall be made a lien on the revenues for the
 10 benefit of bondholders. Any bonds issued under this section shall be sub-
 11 ject to the following requirements:

12 (a) Before the governing body of any city or county shall issue any
 13 general obligation bonds as authorized herein, the governing body shall
 14 cause to be prepared a comprehensive feasibility study showing that rev-
 15 enues received from a countywide or city retailers' sales tax would be
 16 sufficient to retire such bonds.

17 (b) Such bonds shall constitute a general obligation of the city or
 18 county payable from the pledged revenue received from countywide or
 19 city retailers' sales taxes and if not so paid such bonds shall be payable
 20 from ad valorem taxes which for the purpose of paying such bonds may
 21 be levied without limit as to rate or amount by the city or county, and
 22 shall be printed as provided in K.S.A. 10-112, and amendments thereto.

23 (c) Any bonds issued under the provisions of this section and the
 24 interest thereon, shall be exempt from all taxes levied by the state of
 25 Kansas or any political or taxing subdivision thereof, except inheritance
 26 taxes.

27 (d) All bonds which are to be financed in accordance with the pro-
 28 visions of this section shall *not* be subject to any statutory limitation of
 29 bonded indebtedness imposed on a city or county ~~unless:~~

30 ~~—(1) The law authorizing the issuance of such bonds specifically ex-~~
 31 ~~cludes such bonds from any statutory limitation of bonded indebtedness;~~

32 ~~—(2) the bonds are excluded from the computation of bonded indebt-~~
 33 ~~edness pursuant to K.S.A. 10-307 or 10-309, and amendments thereto;~~

34 ~~or~~
 35 ~~—(3) the bonds are issued by a class C city or Douglas county.~~

36 (e) In the event the governing body of a city or county proposes to
 37 issue such bonds, and the question of issuing bonds as authorized herein
 38 has not previously been submitted to and approved by the voters of the
 39 city or county such proposition shall be published once each week for two
 40 consecutive weeks in its official newspaper. If within 30 days after the
 41 last publication of the proposition, a petition is filed with the county elec-
 42 tion officer signed by not less than 5% of the electors of the city or county
 43 who voted in the last preceding general election of the city or county,

1 then no such bonds shall be issued unless the proposition is submitted to
2 and approved by a majority of the voters of the city or county voting at
3 an election held thereon. Any such elections shall be called and held in
4 accordance with the provisions of K.S.A. 10-120, and amendments
5 thereto, or in accordance with the provisions of the mail ballot election
6 act.

7 Sec. 6. K.S.A. 12-195b and K.S.A. 2004 Supp. 12-187, 12-188, 12-
8 189 and 12-192 are hereby repealed.

9 Sec. 7. This act shall take effect and be in force from and after its
10 publication in the statute book.