

HOUSE BILL No. 2793

By Committee on Taxation

2-1

9 AN ACT concerning sales taxation; relating to countywide retailers' sales
10 tax; Reno county; amending K.S.A. 2005 Supp. 12-187 and 12-189 and
11 repealing the existing sections.
12

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

14 Section 1. K.S.A. 2005 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 .25%, .5%, .75% or 1% and pledging the revenue re-
28 ceived therefrom for the purpose of financing the provision of health care
29 services, as enumerated in the question, to the electors at an election
30 called and held thereon. The tax imposed pursuant to this paragraph shall
31 be deemed to be in addition to the rate limitations prescribed in K.S.A.
32 12-189, and amendments thereto. As used in this paragraph, health care
33 services shall include but not be limited to the following: Local health
34 departments, city, county or district hospitals, city or county nursing
35 homes, preventive health care services including immunizations, prenatal
36 care and the postponement of entry into nursing homes by home health
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 (b) (1) The board of county commissioners of any county may submit
42 the question of imposing a countywide retailers' sales tax to the electors
43 at an election called and held thereon, and any such board shall be re-

1 quired to submit the question upon submission of a petition signed by
2 electors of such county equal in number to not less than 10% of the
3 electors of such county who voted at the last preceding general election
4 for the office of secretary of state, or upon receiving resolutions request-
5 ing such an election passed by not less than $\frac{2}{3}$ of the membership of the
6 governing body of each of one or more cities within such county which
7 contains a population of not less than 25% of the entire population of the
8 county, or upon receiving resolutions requesting such an election passed
9 by $\frac{2}{3}$ of the membership of the governing body of each of one or more
10 taxing subdivisions within such county which levy not less than 25% of
11 the property taxes levied by all taxing subdivisions within the county.

12 (2) The board of county commissioners of Anderson, Atchison, Bar-
13 ton, Butler, Chase, Cowley, Cherokee, Crawford, Ford, Jefferson, Lyon,
14 Montgomery, Neosho, Osage, Ottawa, *Reno*, Riley, Saline, Seward, Sum-
15 ner, Wabaunsee, Wilson and Wyandotte counties may submit the ques-
16 tion of imposing a countywide retailers' sales tax and pledging the revenue
17 received therefrom for the purpose of financing the construction or re-
18 modeling of a courthouse, jail, law enforcement center facility or other
19 county administrative facility, to the electors at an election called and
20 held thereon. The tax imposed pursuant to this paragraph shall expire
21 when sales tax sufficient to pay all of the costs incurred in the financing
22 of such facility has been collected by retailers as determined by the sec-
23 retary of revenue. Nothing in this paragraph shall be construed to allow
24 the rate of tax imposed by Butler, Chase, Cowley, Lyon, Montgomery,
25 Neosho, *Reno*, Riley, Sumner or Wilson county pursuant to this paragraph
26 to exceed or be imposed at any rate other than the rates prescribed in
27 K.S.A. 12-189, and amendments thereto.

28 (3) (A) Except as otherwise provided in this paragraph, the result of
29 the election held on November 8, 1988, on the question submitted by
30 the board of county commissioners of Jackson county for the purpose of
31 increasing its countywide retailers' sales tax by 1% is hereby declared
32 valid, and the revenue received therefrom by the county shall be ex-
33 pended solely for the purpose of financing the Banner Creek reservoir
34 project. The tax imposed pursuant to this paragraph shall take effect on
35 the effective date of this act and shall expire not later than five years after
36 such date.

37 (B) The result of the election held on November 8, 1994, on the
38 question submitted by the board of county commissioners of Ottawa
39 county for the purpose of increasing its countywide retailers' sales tax by
40 1% is hereby declared valid, and the revenue received therefrom by the
41 county shall be expended solely for the purpose of financing the erection,
42 construction and furnishing of a law enforcement center and jail facility.

43 (C) Except as otherwise provided in this paragraph, the result of the

1 election held on November 2, 2004, on the question submitted by the
2 board of county commissioners of Sedgwick county for the purpose of
3 increasing its countywide retailers' sales tax by 1% is hereby declared
4 valid, and the revenue received therefrom by the county shall be used
5 only to pay the costs of: (i) Acquisition of a site and constructing and
6 equipping thereon a new regional events center, associated parking and
7 infrastructure improvements and related appurtenances thereto, to be
8 located in the downtown area of the city of Wichita, Kansas, (the "down-
9 town arena"); (ii) design for the Kansas coliseum complex and construc-
10 tion of improvements to the pavilions; and (iii) establishing an operating
11 and maintenance reserve for the downtown arena and the Kansas col-
12iseum complex. The tax imposed pursuant to this paragraph shall com-
13mence on July 1, 2005, and shall terminate not later than 30 months after
14the commencement thereof.

15 (4) The board of county commissioners of Finney and Ford counties
16 may submit the question of imposing a countywide retailers' sales tax at
17 the rate of .25% and pledging the revenue received therefrom for the
18 purpose of financing all or any portion of the cost to be paid by Finney
19 or Ford county for construction of highway projects identified as system
20 enhancements under the provisions of paragraph (5) of subsection (b) of
21 K.S.A. 68-2314, and amendments thereto, to the electors at an election
22 called and held thereon. Such election shall be called and held in the
23 manner provided by the general bond law. The tax imposed pursuant to
24 this paragraph shall expire upon the payment of all costs authorized pur-
25suant to this paragraph in the financing of such highway projects. Nothing
26 in this paragraph shall be construed to allow the rate of tax imposed by
27 Finney or Ford county pursuant to this paragraph to exceed the maximum
28 rate prescribed in K.S.A. 12-189, and amendments thereto. If any funds
29 remain upon the payment of all costs authorized pursuant to this para-
30graph in the financing of such highway projects in Finney county, the
31 state treasurer shall remit such funds to the treasurer of Finney county
32 and upon receipt of such moneys shall be deposited to the credit of the
33 county road and bridge fund. If any funds remain upon the payment of
34 all costs authorized pursuant to this paragraph in the financing of such
35 highway projects in Ford county, the state treasurer shall remit such funds
36 to the treasurer of Ford county and upon receipt of such moneys shall
37 be deposited to the credit of the county road and bridge fund.

38 (5) The board of county commissioners of any county may submit the
39 question of imposing a retailers' sales tax at the rate of .25%, .5%, .75%
40 or 1% and pledging the revenue received therefrom for the purpose of
41 financing the provision of health care services, as enumerated in the ques-
42tion, to the electors at an election called and held thereon. Whenever any
43 county imposes a tax pursuant to this paragraph, any tax imposed pursuant

1 to paragraph (2) of subsection (a) by any city located in such county shall
2 expire upon the effective date of the imposition of the countywide tax,
3 and thereafter the state treasurer shall remit to each such city that portion
4 of the countywide tax revenue collected by retailers within such city as
5 certified by the director of taxation. The tax imposed pursuant to this
6 paragraph shall be deemed to be in addition to the rate limitations pre-
7 scribed in K.S.A. 12-189, and amendments thereto. As used in this par-
8 agraph, health care services shall include but not be limited to the follow-
9 ing: Local health departments, city or county hospitals, city or county
10 nursing homes, preventive health care services including immunizations,
11 prenatal care and the postponement of entry into nursing homes by home
12 care services, mental health services, indigent health care, physician or
13 health care worker recruitment, health education, emergency medical
14 services, rural health clinics, integration of health care services, home
15 health services and rural health networks.

16 (6) The board of county commissioners of Allen county may submit
17 the question of imposing a countywide retailers' sales tax at the rate of
18 .5% and pledging the revenue received therefrom for the purpose of
19 financing the costs of operation and construction of a solid waste disposal
20 area or the modification of an existing landfill to comply with federal
21 regulations to the electors at an election called and held thereon. The tax
22 imposed pursuant to this paragraph shall expire upon the payment of all
23 costs incurred in the financing of the project undertaken. Nothing in this
24 paragraph shall be construed to allow the rate of tax imposed by Allen
25 county pursuant to this paragraph to exceed or be imposed at any rate
26 other than the rates prescribed in K.S.A. 12-189 and amendments
27 thereto.

28 (7) The board of county commissioners of Clay, Dickinson and Miami
29 county may submit the question of imposing a countywide retailers' sales
30 tax at the rate of .50% in the case of Clay and Dickinson county and at a
31 rate of up to 1% in the case of Miami county, and pledging the revenue
32 received therefrom for the purpose of financing the costs of roadway
33 construction and improvement to the electors at an election called and
34 held thereon. Except as otherwise provided, the tax imposed pursuant to
35 this paragraph shall expire after five years from the date such tax is first
36 collected. The result of the election held on November 2, 2004, on the
37 question submitted by the board of county commissioners of Miami
38 county for the purpose of extending for an additional five-year period the
39 countywide retailers' sales tax imposed pursuant to this subsection in Mi-
40 ami county is hereby declared valid. The countywide retailers' sales tax
41 imposed pursuant to this subsection in Clay and Miami county may be
42 extended or reenacted for additional five-year periods upon the board of
43 county commissioners of Clay and Miami county submitting such ques-

1 tion to the electors at an election called and held thereon for each addi-
2 tional five-year period as provided by law.

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

10 (9) The board of county commissioners of Cowley, Russell and
11 Woodson county may submit the question of imposing a countywide re-
12 tailers' sales tax at the rate of .5% in the case of Russell and Woodson
13 county and at a rate of up to .25%, in the case of Cowley county and
14 pledging the revenue received therefrom for the purpose of financing
15 economic development initiatives or public infrastructure projects. The
16 tax imposed pursuant to this paragraph shall expire after five years from
17 the date such tax is first collected.

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

24 (11) The board of county commissioners of Douglas county may sub-
25 mit to the question of imposing a countywide retailers' sales tax at the
26 rate of .25% and pledging the revenue received therefrom for the pur-
27 poses of preservation, access and management of open space, and for
28 industrial and business park related economic development.

29 (12) The board of county commissioners of Shawnee county may sub-
30 mit the question of imposing a countywide retailers' sales tax at the rate
31 of .25% and pledging the revenue received therefrom to the city of To-
32 peka for the purpose of financing the costs of rebuilding the Topeka
33 boulevard bridge and other public infrastructure improvements associ-
34 ated with such project to the electors at an election called and held
35 thereon. The tax imposed pursuant to this paragraph shall expire upon
36 payment of all costs authorized in financing such project.

37 (13) The board of county commissioners of Jackson county may sub-
38 mit the question of imposing a countywide retailers' sales tax at a rate of
39 .4% and pledging the revenue received therefrom as follows: 50% of such
40 revenues for the purpose of financing for economic development initia-
41 tives; and 50% of such revenues for the purpose of financing public in-
42 frastructure projects to the electors at an election called and held thereon.
43 The tax imposed pursuant to this paragraph shall expire after seven years

1 from the date such tax is first collected.

2 (14) The board of county commissioners of Neosho county may sub-
3 mit the question of imposing a countywide retailers' sales tax at the rate
4 of .5% and pledging the revenue received therefrom for the purpose of
5 financing the costs of roadway construction and improvement to the elec-
6 tors at an election called and held thereon. The tax imposed pursuant to
7 this paragraph shall expire upon payment of all costs authorized pursuant
8 to this paragraph in the financing of such project.

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

27 (d) Any city retailers' sales tax in the amount of .5% being levied by
28 a city on July 1, 1990, shall continue in effect until repealed in the manner
29 provided herein for the adoption and approval of such tax or until re-
30 pealed by the adoption of an ordinance so providing. In addition to any
31 city retailers' sales tax being levied by a city on July 1, 1990, any such city
32 may adopt an additional city retailers' sales tax in the amount of .25% or
33 .5%, provided that such additional tax is adopted and approved in the
34 manner provided for the adoption and approval of a city retailers' sales
35 tax. Any countywide retailers' sales tax in the amount of .5% or 1% in
36 effect on July 1, 1990, shall continue in effect until repealed in the manner
37 provided herein for the adoption and approval of such tax.

38 (e) A class D city shall have the same power to levy and collect a city
39 retailers' sales tax that a class A city is authorized to levy and collect and
40 in addition, the governing body of any class D city may submit the ques-
41 tion of imposing an additional city retailers' sales tax in the amount of
42 .125%, .25%, .5% or .75% and pledging the revenue received therefrom
43 for economic development initiatives, strategic planning initiatives or for

1 public infrastructure projects including buildings to the electors at an
2 election called and held thereon. Any additional sales tax imposed pur-
3 suant to this paragraph shall expire no later than five years from the date
4 of imposition thereof, except that any such tax imposed by any class D
5 city after the effective date of this act shall expire no later than 10 years
6 from the date of imposition thereof.

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

23 (g) The sufficiency of the number of signers of any petition filed
24 under this section shall be determined by the county election officer.
25 Every election held under this act shall be conducted by the county elec-
26 tion officer.

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

31 Sec. 2. K.S.A. 2005 Supp. 12-189 is hereby amended to read as fol-
32 lows: 12-189. Except as otherwise provided by paragraph (2) of subsection
33 (a) of K.S.A. 12-187, and amendments thereto, the rate of any class A,
34 class B or class C city retailers' sales tax shall be fixed in the amount of
35 .25%, .5%, .75% or 1% which amount shall be determined by the gov-
36 erning body of the city. Except as otherwise provided by paragraph (2)
37 of subsection (a) of K.S.A. 12-187, and amendments thereto, the rate of
38 any class D city retailers' sales tax shall be fixed in the amount of .10%,
39 .25%, .5%, .75%, 1%, 1.125%, 1.25%, 1.5% or 1.75%. The rate of any
40 countywide retailers' sales tax shall be fixed in an amount of either .25%,
41 .5%, .75% or 1% which amount shall be determined by the board of
42 county commissioners, except that:

43 (a) The board of county commissioners of Wabaunsee county, for the

1 purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and amend-
2 ments thereto, may fix such rate at 1.25%; the board of county commis-
3 sioners of Osage county, for the purposes of paragraph (2) of subsection
4 (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at 1.25%
5 or 1.5%; the board of county commissioners of Cherokee, Crawford,
6 Ford, Saline, Seward or Wyandotte county, for the purposes of paragraph
7 (2) of subsection (b) of K.S.A. 12-187, and amendments thereto, may fix
8 such rate at 1.5%, the board of county commissioners of Atchison county,
9 for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and
10 amendments thereto, may fix such rate at 1.5% or 1.75% ~~and~~, the board
11 of county commissioners of Anderson, Barton, Jefferson or Ottawa
12 county, for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-
13 187, and amendments thereto, may fix such rate at 2% *and the board of*
14 *county commissioners of Reno county for the purposes of paragraph (2)*
15 *of subsection (b) of K.S.A. 12-187, and amendments thereto, may fix such*
16 *rate at 1.5%;*

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

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

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

29 (e) the board of county commissioners of Dickinson county, for the
30 purposes of paragraph (7) of subsection (b) of K.S.A. 12-187, and amend-
31 ments thereto, may fix such rate at 1.5%, and the board of county com-
32 missioners of Miami county, for the purposes of paragraph (7) of subsec-
33 tion (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at
34 1.25%, 1.5%, 1.75% or 2%;

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

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

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

- 1 (i) the board of county commissioners of Douglas county, for the
2 purposes of paragraph (11) of subsection (b) of K.S.A. 12-187, and
3 amendments thereto, may fix such rate at 1.25%;
- 4 (j) the board of county commissioners of Jackson county, for the pur-
5 poses of subsection (b)(13) of K.S.A. 12-187 and amendments thereto,
6 may fix such rate at 1.4%;
- 7 (k) the board of county commissioners of Sedgwick county, for the
8 purposes of paragraph (3)(C) of subsection (b) of K.S.A. 12-187, and
9 amendments thereto, may fix such rate at 2%; or
- 10 (l) the board of county commissioners of Neosho county, for the pur-
11 poses of paragraph (14) of subsection (b) of K.S.A. 12-187, and amend-
12 ments thereto, may fix such rate at 1.0% or 1.5%.

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 or finance officer of any city or county levying a local
7 retailers' sales tax, monthly reports identifying each retailer doing busi-
8 ness in such city or county or making taxable sales sourced to such city
9 or county, setting forth the tax liability and the amount of such tax re-
10 mitted by each retailer during the preceding month and identifying each
11 business location maintained by the retailer and such retailer's sales or
12 use tax registration or account number. Such report shall be made avail-
13 able to the clerk or treasurer or finance officer of such city or county
14 within a reasonable time after it has been requested from the director of
15 taxation. The director of taxation shall be allowed to assess a reasonable
16 fee for the issuance of such report. Information received by any city or
17 county pursuant to this section shall be confidential, and it shall be un-
18 lawful for any officer or employee of such city or county to divulge any
19 such information in any manner. Any violation of this paragraph by a city
20 or county officer or employee is a class A misdemeanor, and such officer
21 or employee shall be dismissed from office. Reports of violations of this
22 paragraph shall be investigated by the attorney general. The district at-
23 torney or county attorney and the attorney general shall have authority
24 to prosecute violations of this paragraph.

25 Sec. 3. K.S.A. 2005 Supp. 12-187 and 12-189 are hereby repealed.

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