

**SENATE Substitute for SENATE Substitute  
for HOUSE BILL No. 2422**

By Committee on Assessment and Taxation

4-3

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10 AN ACT concerning cities and counties; relating to the transportation  
11 development district act; special assessments; amending K.S.A. 2007  
12 Supp. 12-17,143, 12-17,145 and 12-17,148 and repealing the existing  
13 sections.  
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15 *Be it enacted by the Legislature of the State of Kansas:*

16 Section 1. K.S.A. 2007 Supp. 12-17,143 is hereby amended to read  
17 as follows: 12-17,143. (a) In addition to any other power provided by law  
18 and as a complete alternative to all other methods provided by law, the  
19 governing body may make, or cause to be made, projects identified in the  
20 petition submitted pursuant to K.S.A. 2007 Supp. 12-17,142 or 12-17,144,  
21 and amendments thereto, and may levy and collect special assessments  
22 upon property in the district and provide for the payment of all or any  
23 part of the cost of the project out of the proceeds of such special assess-  
24 ments. If special assessments ~~will~~ *shall* be levied to finance all or a portion  
25 of the cost of a project, the municipality shall follow the assessment pro-  
26 cedures in K.S.A. 12-6a01 et seq., and amendments thereto, except that:  
27 (1) No assessments may be levied against the municipality at large ~~and~~;  
28 (2) no full faith and credit notes or bonds may be issued by the munici-  
29 pality to finance a project under this act; *and* (3) *annual installments of*  
30 *the assessments may be levied as provided in subsection (b).*  
31 (b) *If the method of financing for the project includes payment from*  
32 *the sources described in subsection (c) or (d) of K.S.A. 2007 Supp. 12-*  
33 *17,147, and amendments thereto, the ordinance or resolution of the mu-*  
34 *nicipality that authorizes the levy of special assessments may provide that*  
35 *the annual installments of such assessment for any year may be reduced*  
36 *or eliminated to the extent that, prior to the date the municipality certifies*  
37 *the tax levy of the municipality to the county clerk pursuant to K.S.A. 79-*  
38 *1801, and amendments thereto, the municipality has received sufficient*  
39 *funds from the sources described in subsections (c) and (d) of K.S.A. 2007*  
40 *Supp. 12-17,147, and amendments thereto, to pay the debt service on any*  
41 *bonds issued under the provisions of K.S.A. 2007 Supp. 12-17,140 et seq.,*  
42 *and amendments thereto, for the project which would have been paid by*  
43 *such annual installment. The municipality is not required to refund any*

1 *prepayment of assessments after such prepayment is made to the munic-*  
2 *ipality, and any prepayment of assessments under this section shall be in*  
3 *compliance with the provisions of K.S.A. 10-115, and amendments*  
4 *thereto.*

5 Sec. 2. K.S.A. 2007 Supp. 12-17,145 is hereby amended to read as  
6 follows: 12-17,145. (a) In addition to and notwithstanding any limitations  
7 on the aggregate amount of the retailers' sales tax contained in K.S.A. 12-  
8 187 through 12-197, and amendments thereto, any municipality may im-  
9 pose a transportation development district sales tax on the selling of tan-  
10 gible personal property at retail or rendering or furnishing services taxable  
11 pursuant to the provisions of the Kansas retailers' sales tax act, and  
12 amendments thereto, within a transportation development district for  
13 purposes of financing a project in such district in any increment of .10%  
14 or .25% not to exceed 1% and pledging the revenue received therefrom  
15 to pay *for the project or* the bonds issued for the project. Any transpor-  
16 tation development district sales tax imposed pursuant to this section shall  
17 *expire after sufficient transportation development sales tax has been re-*  
18 *ceived by the municipality to pay for the project or* no later than the date  
19 the bonds issued to finance such project or refunding bonds issued there-  
20 fore shall mature. Except as otherwise provided by the provisions of  
21 K.S.A. 2007 Supp. 12-17,141 et seq., and amendments thereto, the tax  
22 authorized by this section shall be administered, collected and subject to  
23 the provisions of K.S.A. 12-187 to 12-197, inclusive, and amendments  
24 thereto.

25 (b) Upon receipt of a certified copy of the resolution or ordinance  
26 authorizing the levy of the transportation development district sales tax  
27 pursuant to this section, the state director of taxation shall cause such tax  
28 to be collected in the district at the same time and in the same manner  
29 provided for the collection of the state retailers' sales tax. All of the taxes  
30 collected under the provisions of this act shall be remitted by the secretary  
31 of revenue to the state treasurer in accordance with the provisions of  
32 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such re-  
33 mittance, the state treasurer shall deposit the entire amount in the state  
34 treasury. ~~The remainder of such taxes shall be credited~~ *to the credit of*  
35 *the transportation development district sales tax fund, which fund is*  
36 *hereby established in the state treasury. All moneys in the transportation*  
37 *development district sales tax fund shall be remitted at least quarterly by*  
38 *the state treasurer, on instruction from the secretary of revenue, to the*  
39 *treasurers of those municipalities which are qualified to receive disburse-*  
40 *ments from such fund the amount collected within such municipality.*  
41 *Any refund due on any transportation development district sales tax col-*  
42 *lected pursuant to this section shall be paid out of the transportation*  
43 *development district sales tax refund fund which is hereby established in*

1 the state treasury and reimbursed by the director of taxation from collec-  
2 tions of the transportation development district sales tax authorized by  
3 this section. Transportation development district sales tax received by a  
4 municipality pursuant to this section shall be deposited in the transpor-  
5 tation development district sales tax fund created pursuant to K.S.A. 2007  
6 Supp. 12-17,148, and amendments thereto.

7 Sec. 3. K.S.A. 2007 Supp. 12-17,148 is hereby amended to read as  
8 follows: 12-17,148. A separate fund shall be created for each district and  
9 each project and such fund shall be identified by a suitable title. The  
10 proceeds from the sale of bonds, *amounts of special assessments collected,*  
11 *moneys remitted from the state treasurer pursuant to K.S.A. 2007 Supp.*  
12 *12-17,145, and amendments thereto,* and any other moneys appropriated  
13 by the governing body for such purpose shall be credited to such fund.  
14 Such fund shall be used solely to pay the costs of the project. Upon  
15 payment of the principal and interest on the bonds, if any, the munic-  
16 ipality shall have the authority to spend any moneys remaining in the fund  
17 for the purposes for which local sales tax receipts may be spent.

18 Sec. 4. K.S.A. 2007 Supp. 12-17,143, 12-17,145 and 12-17,148 are  
19 hereby repealed.

20 Sec. 5. This act shall take effect and be in force from and after its  
21 publication in the statute book.