

## HOUSE BILL No. 2058

By Committee on Aging and Long Term Care

1-22

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9 AN ACT; creating the health care for seniors fund; concerning the dis-  
10 position of a sales tax and compensating use tax proceeds; prescribing  
11 certain powers, duties and functions for the secretary of aging and  
12 secretary of revenue; amending K.S.A. 2008 Supp. 79-3620 and 79-  
13 3710 and repealing the existing sections.  
14

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

16 New Section 1. (a) There is hereby established in the state treasury  
17 the health care for seniors fund which shall be administered by the sec-  
18 retary of aging as provided by law.

19 (b) All moneys credited to the health care for seniors fund shall be  
20 used for additional funding for health care programs, assistance and serv-  
21 ices for seniors. Moneys allocated or appropriated from the health care  
22 for seniors fund shall not be used to replace or substitute for moneys  
23 appropriated from the state general fund in the immediately preceding  
24 fiscal year. All expenditures from the health care for seniors fund shall be  
25 made in accordance with appropriation acts upon warrants of the director  
26 of accounts and reports issued pursuant to vouchers approved by the  
27 secretary of aging or the secretary's designee.

28 (c) On or before the 10th day of each month, the director of accounts  
29 and reports shall transfer from the state general fund to the health care  
30 for seniors fund interest earnings based on (1) the average daily balance  
31 of moneys in the health care for seniors fund and (2) the net earnings  
32 rate of the pooled money investment portfolio for the preceding month.

33 (d) As used in this section, "senior" means an individual who resides  
34 in Kansas, who is 60 years of age or older and who is in need of health  
35 care.

36 Sec. 2. K.S.A. 2008 Supp. 79-3620 is hereby amended to read as  
37 follows: 79-3620. (a) All revenue collected or received by the director of  
38 taxation from the taxes imposed by this act shall be remitted to the state  
39 treasurer in accordance with the provisions of K.S.A. 75-4215, and  
40 amendments thereto. Upon receipt of each such remittance, the state  
41 treasurer shall deposit the entire amount in the state treasury, less  
42 amounts withheld as provided in subsection (b) and amounts credited as  
43 provided in ~~subsection~~ subsections (c) ~~and~~, (d) and (e), to the credit of

1 the state general fund.

2 (b) A refund fund, designated as “sales tax refund fund” not to exceed  
3 \$100,000 shall be set apart and maintained by the director from sales tax  
4 collections and estimated tax collections and held by the state treasurer  
5 for prompt payment of all sales tax refunds including refunds authorized  
6 under the provisions of K.S.A. 79-3635, and amendments thereto. Such  
7 fund shall be in such amount, within the limit set by this section, as the  
8 director shall determine is necessary to meet current refunding require-  
9 ments under this act. In the event such fund as established by this section  
10 is, at any time, insufficient to provide for the payment of refunds due  
11 claimants thereof, the director shall certify the amount of additional funds  
12 required to the director of accounts and reports who shall promptly trans-  
13 fer the required amount from the state general fund to the sales tax refund  
14 fund, and notify the state treasurer, who shall make proper entry in the  
15 records.

16 (c) (1) The state treasurer shall credit  $\frac{5}{98}$  of the revenue collected  
17 or received from the tax imposed by K.S.A. 79-3603, and amendments  
18 thereto, at the rate of 4.9%, and deposited as provided in subsection (a),  
19 exclusive of amounts credited pursuant to ~~subsection~~ *subsections (d) and*  
20 *(e)*, in the state highway fund.

21 (2) The state treasurer shall credit  $\frac{5}{106}$  of the revenue collected or  
22 received from the tax imposed by K.S.A. 79-3603, and amendments  
23 thereto, at the rate of 5.3%, and deposited as provided in subsection (a),  
24 exclusive of amounts credited pursuant to ~~subsection~~ *subsections (d) and*  
25 *(e)*, in the state highway fund.

26 (3) On July 1, 2006, the state treasurer shall credit  $\frac{19}{265}$  of the rev-  
27 enue collected and received from the tax imposed by K.S.A. 79-3603, and  
28 amendments thereto, at the rate of 5.3%, and deposited as provided by  
29 subsection (a), exclusive of amounts credited pursuant to ~~subsection~~ *sub-*  
30 *sections (d) and (e)*, in the state highway fund.

31 (4) On July 1, 2007, the state treasurer shall credit  $\frac{13}{106}$  of the rev-  
32 enue collected and received from the tax imposed by K.S.A. 79-3603, and  
33 amendments thereto, at the rate of 5.3%, and deposited as provided by  
34 subsection (a), exclusive of amounts credited pursuant to ~~subsection~~ *sub-*  
35 *sections (d) and (e)*, in the state highway fund.

36 (d) The state treasurer shall credit all revenue collected or received  
37 from the tax imposed by K.S.A. 79-3603, and amendments thereto, as  
38 certified by the director, from taxpayers doing business within that por-  
39 tion of a redevelopment district occupied by a redevelopment project or  
40 taxpayers doing business with such entity financed by a special bond pro-  
41 ject as defined in K.S.A. 12-1770a, and amendments thereto, that was  
42 determined by the secretary of commerce to be of statewide as well as  
43 local importance or will create a major tourism area for the state or the

1 project was designated as a special bond project as defined in K.S.A. 12-  
2 1770a, and amendments thereto, to the city bond finance fund, which  
3 fund is hereby created. The provisions of this subsection shall expire when  
4 the total of all amounts credited hereunder and under subsection (d) of  
5 K.S.A. 79-3710, and amendments thereto, is sufficient to retire the special  
6 obligation bonds issued for the purpose of financing all or a portion of  
7 the costs of such redevelopment or special bond project.

8 *(e) On or before July 10, 2009, and on or before the 10th day of each*  
9 *month thereafter, the secretary of revenue shall estimate the amount of*  
10 *revenue collected or received during the immediately preceding calendar*  
11 *month from the tax imposed by K.S.A. 79-3603, and amendments thereto,*  
12 *equal to 2% of the monthly proceeds of such tax imposed by the state on*  
13 *each sale of tangible personal property at retail conducted through the*  
14 *use of electronic means of communication, which shall be credited to the*  
15 *health care for seniors fund established by section 1, and amendments*  
16 *thereto, except that the aggregate amount credited pursuant to this sub-*  
17 *section shall not exceed 2% of such proceeds or \$2,000,000 during any*  
18 *fiscal year. The secretary of revenue shall certify each amount so estimated*  
19 *and, upon receipt of such certification, the state treasurer shall credit the*  
20 *amount certified to the health care for seniors fund. The secretary of*  
21 *revenue shall adopt rules and regulations for the administration of this*  
22 *act and to prescribe the methodology to be applied to make the estimations*  
23 *required by this subsection. As used in this subsection, "through electronic*  
24 *means of communication" means and includes through any internet, tel-*  
25 *ephone or other electronic means of communication as determined by the*  
26 *secretary of revenue, in accordance with rules and regulations adopted*  
27 *by the secretary of revenue, including any catalog sales effectuated*  
28 *through any such means.*

29 Sec. 3. K.S.A. 2008 Supp. 79-3710 is hereby amended to read as  
30 follows: 79-3710. (a) All revenue collected or received by the director  
31 under the provisions of this act shall be remitted to the state treasurer in  
32 accordance with the provisions of K.S.A. 75-4215, and amendments  
33 thereto. Upon receipt of each such remittance, the state treasurer shall  
34 deposit the entire amount in the state treasury, less amounts set apart as  
35 provided in subsection (b) and amounts credited as provided in ~~subsection~~  
36 ~~subsections (c) and~~ (d) and (e), to the credit of the state general fund.

37 (b) A revolving fund, designated as "compensating tax refund fund"  
38 not to exceed \$10,000 shall be set apart and maintained by the director  
39 from compensating tax collections and estimated tax collections and held  
40 by the state treasurer for prompt payment of all compensating tax refunds.  
41 Such fund shall be in such amount, within the limit set by this section,  
42 as the director shall determine is necessary to meet current refunding  
43 requirements under this act.

- 1 (c) (1) The state treasurer shall credit  $\frac{5}{98}$  of the revenue collected  
2 or received from the tax imposed by K.S.A. 79-3703, and amendments  
3 thereto, at the rate of 4.9%, and deposited as provided in subsection (a),  
4 exclusive of amounts credited pursuant to ~~subsection~~ *subsections (d) and*  
5 *(e)*, in the state highway fund.
- 6 (2) The state treasurer shall credit  $\frac{5}{106}$  of the revenue collected or  
7 received from the tax imposed by K.S.A. 79-3703, and amendments  
8 thereto, at the rate of 5.3%, and deposited as provided in subsection (a),  
9 exclusive of amounts credited pursuant to ~~subsection~~ *subsections (d) and*  
10 *(e)*, in the state highway fund.
- 11 (3) On July 1, 2006, the state treasurer shall credit  $\frac{19}{265}$  of the rev-  
12 enue collected or received from the tax imposed by K.S.A. 79-3703, and  
13 amendments thereto, at the rate of 5.3%, and deposited as provided by  
14 subsection (a), exclusive of amounts credited pursuant to ~~subsection~~ *sub-*  
15 *sections (d) and (e)*, in the state highway fund.
- 16 (4) On July 1, 2007, the state treasurer shall credit  $\frac{13}{106}$  of the rev-  
17 enue collected or received from the tax imposed by K.S.A. 79-3703, and  
18 amendments thereto, at the rate of 5.3%, and deposited as provided by  
19 subsection (a), exclusive of amounts credited pursuant to ~~subsection~~ *sub-*  
20 *sections (d) and (e)*, in the state highway fund.
- 21 (d) The state treasurer shall credit all revenue collected or received  
22 from the tax imposed by K.S.A. 79-3703, and amendments thereto, as  
23 certified by the director, from taxpayers doing business within that por-  
24 tion of a redevelopment district occupied by a redevelopment project that  
25 was determined by the secretary of commerce to be of statewide as well  
26 as local importance or will create a major tourism area for the state as  
27 defined in K.S.A. 12-1770a, and amendments thereto, to the city bond  
28 finance fund created by subsection (d) of K.S.A. 79-3620, and amend-  
29 ments thereto. The provisions of this subsection shall expire when the  
30 total of all amounts credited hereunder and under subsection (d) of K.S.A.  
31 79-3620, and amendments thereto, is sufficient to retire the special ob-  
32 ligation bonds issued for the purpose of financing all or a portion of the  
33 costs of such redevelopment project.
- 34 This subsection shall not apply to a project designated as a special bond  
35 project as defined in subsection (z) of K.S.A. 12-1770a, and amendments  
36 thereto.
- 37 (e) *On or before July 10, 2009, and on or before the 10th day of each*  
38 *month thereafter, the secretary of revenue shall estimate the amount of*  
39 *revenue collected or received during the immediately preceding calendar*  
40 *month from the tax imposed by K.S.A. 79-3603, and amendments thereto,*  
41 *equal to 2% of the monthly proceeds of such tax imposed by the state on*  
42 *each sale of tangible personal property at retail conducted through the*  
43 *use of electronic means of communication, which shall be credited to the*

1 *health care for seniors fund established by section 1, and amendments*  
2 *thereto, except that the aggregate amount credited pursuant to this sub-*  
3 *section shall not exceed 2% of such proceeds or \$2,000,000 during any*  
4 *fiscal year. The secretary of revenue shall certify each amount so estimated*  
5 *and, upon receipt of such certification, the state treasurer shall credit the*  
6 *amount certified to the health care for seniors fund. The secretary of*  
7 *revenue shall adopt rules and regulations for the administration of this*  
8 *act and to prescribe the methodology to be applied to make the estimations*  
9 *required by this subsection. As used in this subsection, “through electronic*  
10 *means of communication” means and includes through any internet, tel-*  
11 *ephone or other electronic means of communication as determined by the*  
12 *secretary of revenue, in accordance with rules and regulations adopted*  
13 *by the secretary of revenue, including any catalog sales effectuated*  
14 *through any such means.*

15     Sec. 4. K.S.A. 2008 Supp. 79-3620 and 79-3710 are hereby repealed.

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