

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANSThe meeting was called to order by Senator Paul Hess at \_\_\_\_\_  
Chairperson11:00 a.m./p.m. on January 12, 1983 in room 123-S of the Capitol.All members were present except:  
Senator Steineger

## Committee staff present:

Research Department: Richard Ryan, Marlin Rein, Sherry Brown, Mary Galligan, Julian Efird,  
Tom Severn

Revisor's Office: Norman Furse

Committee: Mark Skinner, Administrative Aide; Doris Fager, Secretary

## Conferees appearing before the committee:

Michael Lennen, Secretary of Revenue  
Ronald W. Gaches, Kansas Association of Commerce and Industry  
Frances Kastner, Kansas Food Dealers' Association  
Jack Quinlan, Kansas Motor Car Dealers' Association  
Ray BoydSB 36 - Accelerating Collection of Sales and Compensating Taxes

Secretary Lennen distributed his prepared statement (See Attachment A). Following his presentation, there were questions from committee members. Senator Talkington referred to the penalty provisions of the bill, noting that they are the same as in present law, and asked if the penalties in SB 35 might not remain the same, also. Mr. Lennen said that the difference is that SB 36 contemplates continuation of monthly filing of returns, while in SB 35 there will be a change to an annual return. He further stated that withholding remittances would be much higher than the sales tax remittances.

Senator Harder questioned Mr. Lennen about the increased administrative cost of SB 36 compared to that in SB 35. The Secretary answered that most of the cost of the sales tax proposal would be one time, since the number of returns received by the department would not be changed. However, the withholding tax change would create many more checks than at the present time. The withholding tax would also require more additional employees--approximately 16--compared to three or four initially for the sales tax change. Eventually there would be only one extra person required in the sales tax area.

There were questions concerning the "safe haven" concept, sales taxes on automobiles, use taxes, etc. Secretary Lennen explained the variables in collection of various sales taxes--specifically on automobiles.

Mr. Gaches presented his written statement (See Attachment B). He explained that the dates set out in the bill for reporting will be difficult for large retail chains, for instance, because their tax compliance work is not done in the State of Kansas. Much of the information forwarded to the home offices of these chains is mailed, rather than transferred electronically.

Mr. Gaches informed the committee that 24 states permit some type of administrative allowance for collection and remittance of sales tax. All surrounding states permit an allowance of from two percent to 3 1/3 percent. He suggested that the State of Kansas permit some sort of allowance, also.

There was discussion regarding payment dates of sales taxes to the state by retailers. Mr. Gaches suggested that those dates need to be determined by the cash flow needs of the State of Kansas, and he felt the retail community would cooperate. Much more important to the retailers is to get an administrative allowance for the additional payments made to the state.

SB 36 - Continued

Ms. Kastner presented her written statement (See Attachment C). There were questions from committee members following her statement.

Mr. Quinlan distributed his prepared statement (See Attachment D). In answer to questions from the committee, he said the proposal in SB 36 would create additional overhead for car dealers.

Mr. Boyd presented his written statement (See Attachment E) and answered questions from committee members.

The meeting was adjourned by the Chairman.

MICHAEL LENNEN  
Secretary of Revenue

January 12, 1983

MR. CHAIRMAN

MEMBERS OF THE COMMITTEE

Thank you for affording the opportunity to discuss the sales and use tax component of the accelerated collections proposal. In a general sense, the sales and use tax bill parallels the withholding tax bill by adjusting remittance dates.

However, the proposed changes from the current sales and use tax requirements are of much less magnitude and affect far fewer taxpayers than is contemplated by the withholding tax bill.

Of the \$112 million revenue gain associated with implementation of the total accelerated collections package, it is estimated that \$31.5 million would be attributable to the sales and use tax changes. The additional administrative costs for implementing these changes is \$63,000 in fiscal year 1983 and \$36,000 in fiscal year 1984.

As a matter of information, sales and use tax collections totaled \$474 million in calendar year 1982. After paying refunds, including \$1.7 million to the Food Sales Refund Fund, net deposits to the general fund from these sources were \$470 million.

Present law requires retailers and persons subject to compensating use tax to file monthly returns and remit tax liability on or before the last day of the month following the month for which the tax is owed. The Kansas retailers' sales tax act also contains provisions that allow, subject to the director of taxation's authorization, annual or quarterly filings and remittances where liability for the calendar year does not exceed \$60 or \$1,200, respectively.

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All central plains states but Oklahoma have filing frequencies based on tax liability: the larger the tax liability, the more frequent the reporting obligation. Iowa has already begun a program requiring semimonthly returns from retailers with large liabilities, and Missouri has a proposal before the legislature to require remittance two or four times a month for large accounts. Also, all neighboring states except Nebraska require that returns be filed sooner than does Kansas.

<u>State</u>	<u>Sales Tax Liability</u>	<u>Tax Period</u>	<u>Return Due</u>
Kansas	\$0-\$60/yr.	Annually	Last day of following month
	\$60-\$1,200/yr.	Quarterly	Last day of following month
	Over \$100/mo.	Monthly	Last day of following month
Nebraska	\$0-\$240/yr.	Quarterly	Last day of following month
	Over \$240/yr.	Monthly	Last day of following month
Oklahoma	All	Monthly	15th day of following month
Missouri	\$0-\$15/yr.	Annually	Last day of following month
	\$15-\$250/yr.	Quarterly	Last day of following month
	Over \$250/yr.	Monthly	20th day of following month
Colorado	\$0-\$15/yr.	Annually	20th day of following month
	\$0-\$600/qtr.	Quarterly	20th day of following month
	Over \$600/qtr.	Monthly	20th day of following month
Iowa	\$0-\$50/mo.	Quarterly	Last day of following month
	\$50-\$8,000/mo.	Monthly	20th day of following month*
	Over \$8,000/mo.	Semimonthly	First half month due the 25th day of the tax month; second half month due the 10th day of the following month*

\*Due to technicalities, the final payment of each quarter from monthly and semi-monthly filers is due the last day of the following month, along with the quarterly filers.

The bill maintains the annual and quarterly schedules for taxpayers within these \$60 and \$1,200 per year limitations and specifically authorizes the same schedule for compensating use tax taxpayers. It requires all other taxpayers to file monthly returns. The due date for the return is moved from the last day of the month following the period for which filed to the 20th of that following month in all cases. Payments are required at the time of filing the return.

Taxpayers who have an annual liability of more than \$24,000, are required to remit the tax liability for the first 15 days of each month on or before the 20th day of that month. The remainder of the month's tax liability is required to be remitted on the 20th of the following month.

The number of taxpayers falling within each category and the percentage of liability represented by each category is set forth below:

SALES & USE:

<u>FILING BRACKET</u>		<u>NO. OF</u>	<u>FILING</u>		<u>% OF</u>
<u>MONTHLY</u>	<u>ANNUAL</u>	<u>ACCOUNTS</u>	<u>FREQUENCY</u>	<u>DATES</u>	<u>TOTAL LIABILITY</u>
\$ 0-\$5	\$ 0-\$60	23,900	Annual	20th	0.05%
6-100	61-1,200	30,700	Quarterly	20th	2.29
101-2,000	1200-24,000	24,700	Monthly	20th	32.05
2,001-over	24000-over**	2,700	Monthly	20th**	65.61
		82,000			100.00%

It should be noted that less than 4 percent of the 82,000 sales and use tax accounts would be subject to the requirement for early payment of the first half of current month liability.

Safe-haven rules are established in the bill which deem the taxpayer to be in compliance if 90% of the actual liability for the first 15 days or 50% of the previous year's liability for the same month is remitted by the 20th of that month and any underpayment is remitted with the second half's payment.

As in the withholding tax bill the director of taxation is responsible for establishing the filing and remittance schedules for particular taxpayers based on their previous year's liabilities or estimates.

Present law's interest and penalty provisions for late filing and payment have not been amended and will apply to the new filing and remittance requirements.

\*\* Monthly filing for these retailers includes reconciliation for prior calendar tax month, plus payment for first half of current calendar month.



# Legislative Testimony

Kansas Association of Commerce and Industry

500 First National Tower, One Townsite Plaza

Topeka, Kansas 66603

A/C 913 357-6321

January 12, 1983

KACI Recommendations re: Kansas Sales Tax Remittance Policy

Presented to Senate Ways and Means Committee

If sales tax deposits must be accelerated, KACI would prefer:

- (a) Require one payment on 25th of each month. Payment would include sales tax remittance for second half of previous month, based on actual tax due for month, plus payment of estimated taxes for first half of current month, or
- (b) Semi-monthly payment of sales tax based on estimates of tax liability. Payments would serve as deposits into taxpayers sales tax account with final adjustments and tax statement filed at the end of the following month.

Additional suggestions:

- (a) Provide an administrative allowance of 3% for collection and remittance of sales tax.
- (b) Sunset semi-monthly remittance of sales tax at end of FY 1985.

AHB 1-11-83



# Kansas Food Dealers' Association, Inc.

2809 WEST 47th STREET SHAWNEE MISSION, KANSAS 66205

PHONE: (913) 384-3838

January 12, 1883

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SYRACUSE

VICE-PRESIDENT  
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OVERLAND PARK

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## DIRECTOR OF GOVERNMENTAL AFFAIRS

FRANCES KASTNER

EXECUTIVE DIRECTOR  
JIM SHEEHAN  
SHAWNEE MISSION

## SENATE WAYS AND MEANS COMMITTEE

Re: Accelerated collection of sales tax

I am Frances Kastner, Director of Governmental Affairs for the Kansas Food Dealers Association. We represent the wholesalers, distributors and retailers of food products throughout the State of Kansas.

We understand the financial crunch facing the State, and the need for speeding up transmission of sales tax. Most of our retail grocers will be involved in paying sales tax twice a month.

It would be most helpful if an estimate for the first half of the sales tax payment could be allowed. We are in favor of setting guidelines for reasonableness in making that estimate, and not imposing stiff penalties for honest error or miscalculation of anticipated sales.

Although this is not going to be a popular request, we would also renew our past efforts in trying to get some sort of administrative allowance for the collection of the sales tax -- especially for those retailers who are going to have additional accounting expenses in paying sales tax twice a month.

We appreciate this opportunity to appear before you and voice our concerns. If you have any questions, I will be happy to answer them.

*Frances Kastner*

Frances Kastner, Dir. of Gov't Affairs  
KANSAS FOOD DEALERS ASSOCIATION  
3310 SW 7th Street, # 2  
Topeka, Kansas 66606

(913) 232-3310

AHC-1-11-83

BEFORE THE SENATE WAYS AND MEANS COMMITTEE  
IN RE: SENATE BILL 36

Mr. Chairman and members of the Committee, I am Jack A. Quinlan, legislative counsel to the Kansas Motor Car Dealers Association of the State of Kansas. The Association represents approximately 425 franchised new car and truck dealers throughout the state of Kansas.

We appear before you today for the purpose of presenting to you a proposal which we believe to be entirely compatible with Senate Bill 36 and the policy which appears to be a consensus of the Governor and this session of the Kansas Legislature to accelerate the receipt of revenue for the State of Kansas. Very simply, members of the Committee, we propose that the sales tax generated by the sale of new and used vehicles be collected by the County Treasurers in the County in which the vehicle is sold and/or registered. This would do two (2) things. First it would accelerate the collection and receipt of revenue by the State of Kansas, while at the same time eliminating the loss of revenue through the liquidation or bankruptcy of vehicle dealers, both new and used. Secondly, it would eliminate the overhead for the dealers collecting, reporting and accounting for sales tax revenue now collected by such dealers.

The following are some facts which are taken from "NADA Data for 1982 Economic Impact of America's New Car and Truck Dealers":

- \*1. Kansas franchised new car and truck dealers accounted for 15.2% of the total retail sales dollars in Kansas during 1981.
- \*2. Kansas franchised new car and truck dealers represent 3.1% of the total Kansas retail establishments.



- \*3. Kansas franchised new car and truck dealers sold \$1.64 billion in new and used vehicles, parts, and service during 1981.
- \*4. Based on the national average, 84%, or \$1.38 billion of the \$1.64 billion, came from the sale of new and used vehicles by Kansas franchised new car and truck dealers.
- \*\*5. The \$1.64 billion in sales of new and used vehicles, parts, and service by Kansas franchised new car and truck dealers generated \$49.2 million in state sales tax for Kansas.
- \*\*6. The \$1.38 billion in new and used vehicle sales by Kansas franchised new car and truck dealers generated \$41.4 million in state sales tax.
- 7. During the 1981 interim study on highway finance by the Special Committee on Transportation, it was estimated that total revenues from the sale of motor vehicles, parts, and service totalled approximately \$85 million in state sales tax for Kansas.
- 8. County Treasurers currently collect sales tax on occasional and isolated sales of vehicles, and collect an additional \$.50 per transaction as a service charge for collecting the tax.
- 9. County Treasurers collecting the sales tax on the sales of all vehicles would speed up the collection process for both the state and local units of government which impose a sales tax.
- 10. County Treasurers collect personal property tax at the time of registration of vehicles.
- 11. State and local units would not lose sales tax revenues due to delinquency in payments by dealers or bankruptcy of dealerships.
- 12. Collection of the sales tax by the County Treasurers on the sales of all vehicles could eliminate the time delay from the date of collection to the date of remittance by dealerships, which can be as much as 61 days.

\*Taken from "NADA Data for 1982--Economic Impact of America's New Car and Truck Dealers." Published by the Industry Analysis Division, National Automobile Dealers Association, 8400 Westpark Drive, McLean, VA., 22102. Sources used: U.S. Department of Commerce and NADA Analysis Department.

\*\*Figures do not include local and/or county sales tax revenues, or, sales tax revenues to the state or local governments on sales by motorcycle, trailer, mobile home, or used vehicle dealers, or occasional and isolated sales of vehicles by individuals.

There are two CAVEATS. One, from the foregoing facts we are unable to "break out" dollar amount of new, as opposed to used, vehicles. Also, the revenue to be generated would be substantially higher than that which is shown above as we do not have the figures for the recreational vehicles, motorcycles and other motor vehicles including the sales of the vehicles by used vehicle dealers only. Second, a policy decision would have to be made, i.e., should the tax to be imposed be that taxed at the situs of the sale or the tax that might be imposed at the residence or place of business of the registrant.

Members of the Committee, I understand that there is some possible action being taken in the House this session to put this proposal in the form of a bill and we ask that you give this proposal serious consideration and we will assist in any way we can. We were advised by the Department of Revenue that at the present time that it can be as much as 61 days from the date of the sale before the State receives sales tax due as a result of that sale.

Thank you.



# BUILDING SUPPLY CENTER

401 Michigan

HOLTON, KS 66436

P.O. Box 1006

(913) 364-4104

Jan. 12, 1983

Mr. Chairman - Members of the Committee:

In the past three years our nation has been plunged into downward economic spiral. This was created by the Federal Reserve Board policy to slow inflation with a tight money supply through high interest rates. This has lead us to the brink of financial disaster. Our federal government and many states now have fiscal problems that are out of control. With this knowledge of state problems, you should give closer consideration of the problems of the private sector. When you fully understand the problems at hand passing furthur tax burdens in any form should be the last consideration.

I do not think it wise to go into great detail concerning the action private business has had to take to survive the economic times. The high unemployment speaks for that. I am sure you are aware of the many business failures that have ended in the bankrupt court. I personally have had to write off large sums because of this. I am not alone. Needless to say, the business community has always been asked, by governing authority, to bear more than its share of the expense of tax collections for many branches of government at whatever level you want to consider.

From the amount of jargon that has been coming from the media and the govenors office, I suppose it is safe to say that the legislature has approved deferment of payments due to local governments and

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school districts. Many times we have been reminded that government is not business but you cannot separate the operation of government from sound business principles. Now, in business we have a name for such action the legislature has just incorporated into state government policy. I don't need to tell you the name that we use, but believe me, by whatever it is called it is an asinine way of doing business.

You have been informed that I am here to object to the speeded up collection of the sales tax. I want to make it clear that I am opposed to any speeded up collection that is imposed on business or employers. The best reason that I can state for my opposition is that we need less, not more bureaucracy, lest it get so expensive that we cannot bear the cost. I would like to propose some questions that have to do with the cost of this increased procedure:

Have you considered the expense involved in twice a month collections of sales tax? The cost of postage alone would double. How would you propose to cover this in an already strained budget?

Will the present labor force be able to handle the added paper work?

The situation that we are in demands an austere position in regard to increased spending. I am ashamed of my inability to increase my employees earnings, to do so at this time might cause problems that none of us desire. I am sure they understand this. Many concessions have been made all over our nation between labor and management but we find government less willing to apply the same measures.

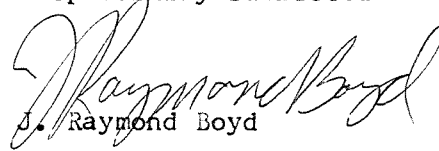
It is not my business to tell the legislature how to conduct state operation, however, if you pursue an austere position you will bring state spending in line with present revenue<sup>instead of</sup> burdening our people with additional levies. That is what we have to do in private business.

I have been collecting and remitting sales tax for thirty years, withholding and unemployment since the law was put into effect. As you are well aware of business and industry have done it without compensation in any form. If there has been any gain in the use of funds for such a short period of time it is far overshadowed by the service performed. The governor of this state is pressing you as members of the legislature, to force upon the business of this state one of the most unfair acts that could ever be perpetrated against it. All that can be gained from it is black ink on a balance sheet on June 30, 1983 which in turn will make the office look good and we go on paying until the last day of business at the end of our career.

Members of this committee, I do not want you to think I am entirely negative. I came to this state from Tennessee almost thirty two years ago. My home is here, I have a family, a business, Kansas has been a good place to live. What I have said is to make this state a better and easier place to serve. My simple request is that you use sound judgement, and seek wisdom from our God who alone is able to produce wisdom in the minds of men.

There is a point of comendation that I would like to make concerning the legislative session of one year ago. You will take note of the fact that the legislature trimed a rather large sum from the proposed budget. There is indeed a bright spot on the horizon, be thankful that you do not have to deal with that amount at this time.

Respectfully submitted

  
J. Raymond Boyd

## SENATE BILL NO. \_\_\_\_\_

AN ACT amending the Kansas retailers' sales tax and Kansas compensating tax acts; concerning the method and time of payment of the taxes; amending K.S.A. 1982 Supp. 79-3607 and 79-3706 and repealing the existing sections.

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

Section 1. K.S.A. 1982 Supp. 79-3607 is hereby amended to read as follows: 79-3607. ~~On or before the last day of each calendar month, every person engaged in the business of selling tangible personal property at retail, and furnishing services taxable under this act, in this state during the preceding calendar month,~~ (a) Retailers shall make ~~a return~~ returns to the director ~~of taxation~~ at the times prescribed by this section upon forms prescribed and furnished by the director ~~of taxation,~~ stating: ~~(a)~~ (1) The name and address of the ~~seller~~ retailer; ~~(b)~~ (2) the total amount of gross sales of all tangible personal property and taxable services rendered by ~~him or her~~ during the preceding calendar month; ~~(c)~~ the retailer during the period for which the return is made; (3) the total amount received during the ~~preceding calendar month~~ period for which the return is made on charge and time sales of tangible personal property made by ~~him or her,~~ and taxable services rendered, prior to the ~~month~~ period for which the return is made; ~~(d)~~ (4) deductions allowed by law from such total amount of gross sales, and from total amount received during the ~~preceding calendar month~~ period for which the return is made on such charge and time sales; ~~(e)~~ (5) receipts during the ~~preceding calendar month~~ period for which the return is made from the total amount of sales of tangible personal property and taxable services rendered by ~~him or her~~ during such ~~month~~ period in the course of such business, after

deductions allowed by law have been made; ~~(f)~~ (6) receipts during the ~~preceding-calendar-month~~ period for which the return is made from charge and time sales of tangible personal property made by ~~him-or-her~~ and taxable services rendered prior to such ~~month~~ period in the course of such business, after deductions allowed by law have been made; ~~(g)~~ (7) gross receipts during the ~~preceding-calendar-month~~ period for which the return is made from sales of tangible personal property and taxable services rendered ~~by-him-or-her~~ in the course of such business upon the basis of which the tax is imposed. The return shall include such other pertinent information as the director ~~of-taxation~~ may require. In making such return, the ~~seller~~ retailer shall determine the market value of any consideration, other than money, received by ~~him-or-her~~ in connection with the sale of any tangible personal property, in the course of ~~his-or-her~~ the business, and shall include such value in ~~his-or-her~~ the return, ~~which.~~ Such value shall be subject to review and revision by the director ~~of~~ taxation, as hereinafter provided. Refunds made by the ~~seller~~ retailer during the ~~preceding-calendar-month~~ period for which the return is made on account of tangible personal property returned to the ~~seller~~ retailer shall be allowed as a deduction under subdivision ~~(d)~~ (4) of this section in case the ~~seller~~ retailer has theretofore included the receipts from such sale in a return made by ~~him-or-her~~, such retailer and paid taxes therein imposed by this act. The ~~person-making-the-return-herein-required,~~ retailer shall, at the time of making such return, pay to the director ~~of-taxation~~ the amount of tax herein imposed, except as otherwise provided in this section. The director ~~of-taxation~~ may extend the time for making returns and paying the tax required by this act for any period not to exceed ~~sixty-(60)~~ 60 days, under such rules and regulations as the secretary of revenue may prescribe. When the total tax for which any person retailer is liable under this act, does not exceed the sum of ~~five-dollars~~ (55) ~~in-any-month-or-sixty-dollars-(569)~~ for-any-annual-reporting-period, ~~he-or-she-may-with-the-approval-of-the-director~~



~~of taxation and upon such conditions as the director of taxation may prescribe, file an annual return, on or before January 31, which return shall be accompanied by the tax disclosed thereby. When the total tax for which any person is liable under this act, does not exceed the sum of one hundred dollars (\$100) in any month, or twelve hundred dollars (\$1,200) for any annual reporting period, he or she may, with the approval of the director of taxation and upon such conditions as the director of taxation may prescribe, file a quarterly return, which return shall be accompanied by the tax disclosed thereby on or before the thirty-first day of January, the thirtieth day of April, the thirty-first day of July, and the thirty-first day of October, in each year, for the period ending on the last day of the preceding month.~~ \$60 in any calendar year, the retailer shall file an annual return on or before January 20 of the following year. When the total tax liability does not exceed \$1,200 in any calendar year, the retailer shall file returns quarterly on or before the 20th day of the month following the end of each calendar quarter. When the total tax liability exceeds \$1,200 in any calendar year, the retailer shall file a return for each month on or before the 20th day of the following month. When the total tax liability exceeds \$24,000 in any calendar year, the retailer shall be required to pay the sales tax liability for the first 15 days of each month to the director on or before the 20th day of that month. Any such payment required to be made on or before April 20, 1983, shall be accompanied by a remittance form furnished by the director, and any such payment required to be made thereafter shall accompany the return filed for the preceding month. A retailer will be considered to have complied with the requirements to pay the first 15 days' liability for any month if, on or before the 20th day of that month, the retailer paid 90% of the liability for that fifteen-day period or 50% of such retailer's liability in the immediate preceding calendar year for the same month as the month in which the fifteen-day period occurs, and, in either case, paid any underpayment with the

payment required on or before the 20th day of the following month. Such retailers shall pay their sales tax liabilities for the remainder of each such month at the time of filing the return for such month. Determinations of amounts of liability in a calendar year for purposes of determining filing requirements shall be made by the director upon the basis of amounts of liability by those retailers during the preceding calendar year or by estimates in cases of retailers having no previous sales tax histories. The director is hereby authorized to modify the filing schedule for any retailer when it is apparent that the original determination was inaccurate.

(b) Any sales tax liability incurred by a retailer before the effective date of this act shall be reported and paid to the director in the same manner and at the same time as required under the provisions of this section immediately prior to its amendment by this act.

Sec. 2. K.S.A. 1982 Supp. 79-3706 is hereby amended to read as follows: 79-3706. Each retailer or person subject to the provisions of this act shall ~~on or before the last day of every calendar month, file a return with the director showing~~ make remittances of the tax imposed by K.S.A. 79-3703 and file returns in accordance with the provisions of K.S.A. 79-3607 and amendments thereto, except that the time schedule for remitting tax and filing returns shall be determined on the basis of calendar year compensating tax liability in lieu of calendar year sales tax liability. Returns shall show in detail the total quantity of tangible personal property sold by any retailer or used, stored or consumed by any person within the state during the preceding calendar month period for which the return is filed subject to the tax herein imposed, and such other information as the director may deem pertinent. Each retailer or person shall remit to the director with each such return the amount of tax shown thereon to be due. If any tax is not paid when the same is due, there shall be added thereto interest at the rate per month prescribed by subsection (a) of K.S.A. 1982 Supp. 79-2963(a)

79-2968 from the date the tax was due until paid, except that if such tax is unpaid due to fraud with intent to avoid the tax, there shall be added thereto a penalty of ~~fifty-percent~~ 50% of the amount of such tax together with the interest as provided above. Whenever, in the judgment of the director, the failure of any person to comply with this section is due to reasonable cause, the director may in the director's discretion waive or reduce any of the interest or penalty herein provided for, upon making a record of the reason therefor. The director may, upon request and a proper showing of the necessity therefor, grant an extension of time not to exceed ~~sixty~~ 60 days for making any return and payment. Returns shall be signed by the retailer or such retailer's duly authorized agent, and must be certified by such retailer to be correct.

Sec. 3. K.S.A. 1982 Supp. 79-3607 and 79-3706 are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after April 1, 1983, and its publication in the Kansas register.