

Approved: February 14, 2005

Date

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE

The meeting was called to order by Chairman Barbara Allen at 10:40 A.M. on February 8, 2005 in Room 519-S of the Capitol.

All members were present.

Committee staff present:

Chris Courtwright, Kansas Legislative Research  
Martha Dorsey, Kansas Legislative Research  
Gordon Self, Revisor of Statutes Office  
Nancy Kirkwood, Secretary

Conferees appearing before the committee:

Richard Cram, Kansas Department of Revenue (KDOR)

Others attending:

See attached list.

Chairperson Allen opened the meeting to discuss and possibly take action on **SB 15 - Delinquent taxes and returns; professional license issuance and renewal.**

Richard Cram, KDOR, presented a balloon amendment to the Committee. Mr. Cram suggested the Committee disregard the amendment KDOR had submitted to the Committee during the hearing, and took the Committee through the new amendment (Attachment 1). KDOR offered an additional amendment to **SB 15** (Attachment 2).

KDOR presented the "Information from Existing Tax Clearance Programs of Other States" requested by the Committee at the hearing of **SB 15** (Attachment 3).

After Committee questions and discussion, Senator Schmidt made a motion to table SB 15, seconded by Senator Apple. The motion carried on a voice vote.

The meeting adjourned at 11:05 a.m.

The next meeting is scheduled tomorrow, Wednesday, February 9.

**SENATE  
ASSESSMENT & TAXATION COMMITTEE**

**GUEST LIST**

DATE: 2/8/05

NAME	REPRESENTING
LARRY MAZILL	Kc Assn of Ins. Agents
Jann Wagner	KDOR
Richard Crum	KDOR
Jeff Scott	KDOR
David Corbin	KDOR
James Bartle	Dept of Revenue
Andre Kapp	KDOR
Matt Soper	KDOR
Brad Weller	KDOR
T.O. Jensen	KSCPA
Dan Memmes	KADSPA
Bill Brady	KGC
Mike Pepoon	Sedwick County
Angure Miller	Dameron + Assoc.
JIM CLARK	KBA
Kevin Baran	KTLA
Gary Reser	KVMA
Ashley Sherard	Lenexa Chamber

**SENATE  
ASSESSMENT & TAXATION COMMITTEE**

**GUEST LIST**

DATE: 2/8/05

NAME	REPRESENTING
Scott Heidner	ACEC Kansas
Larrie Ann Lower	KS Govt Consulting
Fred Luckey	KHA
John Peters	Ks Govt Consultn
Pam Scott	Ks Funeral Directors Assn
<del>Kevin Robertson</del>	<del>KANSAS DENTAL ASSN</del>
George Petersen	Ks Taxpayers Network
Diane G. Lynn	KSBW

**SENATE BILL No. 15**

By Special Committee on Assessment and Taxation

1-4

9 AN ACT concerning taxation; relating to delinquent taxes; licenses;  
10 amending K.S.A. 77-512 and K.S.A. 2004 Supp. 41-311 and 41-2623  
11 and repealing the existing sections.  
12

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

14 New Section 1. As used in sections 1 through 6, and amendments  
15 thereto:

16 (a) "License" means a certificate, permit, registration or other doc-  
17 ument issued or approved by a licensing body in this state, issued pursuant  
18 to K.S.A. 1-301 *et seq.*, K.S.A. 7-103 *et seq.*, K.S.A. 9-2201 *et seq.*, K.S.A.  
19 15-1501 *et seq.*, K.S.A. 17-1254 *et seq.*, K.S.A. 36-501 *et seq.*, K.S.A. 40-  
20 201 *et seq.*, K.S.A. 40-240 *et seq.*, K.S.A. 40-3701 *et seq.*, K.S.A. 40-3801  
21 *et seq.*, K.S.A. 40-5001 *et seq.*, K.S.A. 47-814 *et seq.*, K.S.A. 47-1001 *et*  
22 *seq.*, K.S.A. 47-1201 *et seq.*, K.S.A. 47-1301 *et seq.*, K.S.A. 47-1501 *et seq.*,  
23 K.S.A. 47-1701 *et seq.*, K.S.A. 47-1801 *et seq.*, K.S.A. 55-155 *et seq.*,  
24 K.S.A. 58-2801 *et seq.*, K.S.A. 58-4121 *et seq.*, K.S.A. 58-3034 *et seq.*,  
25 K.S.A. 65-401 *et seq.*, K.S.A. 65-502 *et seq.*, K.S.A. 65-688 *et seq.*, K.S.A.  
26 65-1101 *et seq.*, K.S.A. 65-1401 *et seq.*, K.S.A. 65-1501 *et seq.*, K.S.A.  
27 1601 *et seq.*, K.S.A. 65-1626 *et seq.*, K.S.A. 65-1701 *et seq.*, K.S.A. 65-  
28 1808 *et seq.*, K.S.A. 65-1901 *et seq.*, K.S.A. 65-2001 *et seq.*, K.S.A. 65-  
29 2801 *et seq.*, K.S.A. 65-28a01 *et seq.*, K.S.A. 65-2901 *et seq.*, K.S.A. 65-  
30 3424b *et seq.*, K.S.A. 65-34,145 *et seq.*, K.S.A. 65-3501 *et seq.*, K.S.A.  
31 65-4001 *et seq.*, K.S.A. 65-4101 *et seq.*, K.S.A. 65-4201 *et seq.*, K.S.A. 65-  
32 4501 *et seq.*, K.S.A. 65-5101 *et seq.*, K.S.A. 65-5401 *et seq.*, K.S.A. 65-  
33 5501 *et seq.*, K.S.A. 65-5801 *et seq.*, K.S.A. 65-5901 *et seq.*, K.S.A. 65-  
34 6101 *et seq.*, K.S.A. 65-6301 *et seq.*, K.S.A. 65-6401 *et seq.*, K.S.A. 65-6501  
35 *et seq.*, K.S.A. 65-6601 *et seq.*, K.S.A. 65-6901 *et seq.*, K.S.A. 65-7201 *et*  
36 *seq.*, K.S.A. 68-2205 *et seq.*, K.S.A. 68-2236 *et seq.*, K.S.A. 72-1371 *et seq.*,  
37 K.S.A. 74-5301 *et seq.*, K.S.A. 74-5801 *et seq.*, K.S.A. 74-7001 *et seq.*,  
38 K.S.A. 75-7601 *et seq.*, and K.S.A. 82a-1201 *et seq.* and amendments  
39 thereto;

Delete

40 (b) "licensing body" means the abstractor's board of examiners, board  
41 of accountancy, board of adult care home administrators, animal health  
42 board, attorney general, banking commission, board of barbering, behav-  
43 iorral sciences regulatory board, department of commerce, corporation

1 commission, board of cosmetology, dental board, emergency medical  
 2 services board, department of health and environment, board of healing  
 3 arts, board of examiners in fitting and dispensing hearing aids, insurance  
 4 department, board of mortuary arts, board of nursing, board of examiners  
 5 in optometry, board of pharmacy, real estate appraisal board, real estate  
 6 commission, securities commissioner, ~~speech-language pathology and au-~~  
 7 ~~diology board~~, state board of education, supreme court, board of technical  
 8 professions, department of transportation and board of veterinary  
 9 examiners;

office of the

housing resource corporation

by a licensing body

10 (c) "licensee" means any person who is applying for issuance of or  
 11 has been issued a license. Licensee shall include, but not be limited to,  
 12 an abstractor, adult care home administrator, barber school, barber col-  
 13 lege, barber instructor, barber, noncompetitive boxing, karate, kick box-  
 14 ing, competitive boxing, mixed martial arts, professional wrestling, school  
 15 of cosmetology, school of nail technology, school of esthetics, school of  
 16 electrology, cosmetology instructor, salon, clinic, tanning facility, cosme-  
 17 tologist, cosmetology technician, cosmetology apprentice, electrologist,  
 18 electrologist apprentice, manicurist, manicurist apprentice, esthetician,  
 19 esthetician apprentice, tattoo artist, tattoo facility, permanent color tech-  
 20 nician, permanent color facility, body piercer, body piercing facility, pub-  
 21 lic livestock market operator, animal carcass disposal plant, garbage feed-  
 22 ing operator, feedlot operator, animal distributor, animal breeder, hobby  
 23 breeder, retail breeder, pet shop operator, pound or animal shelter, ken-  
 24 nel operator, animal research facility, livestock dealer, private detective,  
 25 private detective agency, mortgage business, clinical psychologist, master  
 26 level psychologist, attorney, certified public accountant, municipal public  
 27 accountant, professional counselor, clinical professional counselor, master  
 28 social worker, specialist clinical social worker, social work associate, social  
 29 worker, marriage and family therapist, clinical marriage and family ther-  
 30 apist, alcohol or drug abuse counselor, dentist, dental intern, dental hy-  
 31 gienist, highway advertising, junkyard certificate of compliance, insurance  
 32 company, viatical settlement provider or broker, insurer administrator,  
 33 insurance broker, bail bondsman, emergency medical services attendant,  
 34 emergency medical technician, emergency medical technician-defibril-  
 35 lator, emergency medical technician-intermediate, first responder, emer-  
 36 gency medical instructor-coordinator, mobile intensive care technician,  
 37 ambulance operator, emergency medical training officer, medical doctor,  
 38 surgeon, osteopathic physician, chiropractor, podiatrist, physician assis-  
 39 tant, physical therapist, physical therapist assistant, occupational therapist,  
 40 respiratory therapist, athletic trainer, naturopathic doctor, insurance  
 41 agent, embalmer, funeral director, assistant funeral director, apprentice  
 42 funeral director, funeral establishment, branch funeral establishment,  
 43 crematory, practical nurse, professional nurse, mental health technician,

Delete

1 oil and gas well operator or contractor, optometrist, diagnostic optome-  
 2 trist, therapeutic optometrist, glaucoma optometrist, pharmacy, phar-  
 3 macist, pharmacy technician, controlled substance manufacturer, con-  
 4 trolled substance distributor, controlled substance dispenser, researcher  
 5 with controlled substance, drug manufacturer, retail drug dealer, whole-  
 6 sale drug distributor, drug sample distributor or dispenser, drug auction-  
 7 eer, institutional drug room, pharmacy student, veterinary medical re-  
 8 search hospital pharmacy, real estate appraiser, real estate salesperson,  
 9 real estate broker, securities broker-dealer, securities investment advisor,  
 10 speech-language pathologist, audiologist, hearing aid fitting and dispens-  
 11 ing, teacher, engineer, architect, land surveyor, landscape architect, ge-  
 12 ologist, veterinarian and veterinarian technician, water supply system op-  
 13 erator, wastewater treatment facility operator, home health agency, home  
 14 health aide, alcoholism and intoxication treatment facility, dietician, med-  
 15 ical care facility, child care facility or maternity center, family day care  
 16 home, retail food store, food processing plant, lodging establishment, food  
 17 service establishment, food vending machine company, dry cleaning fa-  
 18 cility, water well contractor, mobile waste tire processor, waste tire proc-  
 19 essing facility, waste tire transporter and waste tire collection center;

Delete

20 (d) "person" means an individual, firm, partnership, limited partner-  
 21 ship, association, corporation, limited liability partnership or limited li-  
 22 ability company;

23 (e) "taxes" means income, employer withholding, privilege, estate,  
 24 retailers' sales, compensating use, franchise, mineral, new tire, motor ve-  
 25 hicle rental, transient guest, drug, drycleaning and laundering excise taxes  
 26 owed by the licensee, including any associated penalties and interest;

27 (f) "secretary" means the secretary of revenue; and

28 (g) "tax clearance certificate" means notification from the secretary  
 29 that an applicant for the issuance of a new license or renewal or rein-  
 30 statement of an existing license is not delinquent in the payment of taxes  
 31 or the filing of tax returns.

32 New Sec. 2. A licensing body shall not process for issuance, renewal  
 33 or reinstatement a license issuance, renewal or reinstatement application  
 34 if the licensing body receives notification from the secretary that the li-  
 35 censee is delinquent in the payment of taxes or the filing of tax returns.  
 36 Such license status shall not be considered a suspension, denial or revo-  
 37 cation of license issuance, renewal or reinstatement and shall exist only  
 38 while the licensee is delinquent in the payment of taxes or the filing of  
 39 tax returns.

40 New Sec. 3. For purposes of sections 1 through 6, and amendments  
 41 thereto, a tax liability shall be considered delinquent when payment in  
 42 full has not been remitted on or before the due date for such payment  
 43 as established by law. The filing of a tax return shall be considered delin-

Failure of the licensee to provide a tax clearance certificate to the licensing body shall not result in a late registration penalty unless the licensee fails to cure the defect within 14 days after notification to the licensee by the licensing body sent to the last known address of the licensee that a tax clearance certificate was not received from the licensee.

SB 15

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1   quent when the return has not been filed on or before the due date for  
2   such return as established by law. Delinquent taxes shall not include taxes  
3   which are under audit, administrative appeal, the subject of a pending  
4   court case or bankruptcy proceeding or for which an agreement for the  
5   payment of such taxes has been entered into by the licensee and the  
6   secretary and the licensee is current in the payments under such  
7   agreement.

8   New Sec. 4. (a) The secretary shall establish a tax clearance process  
9   whereby all license applications will be reviewed for tax delinquency prior  
10  to issuance, renewal or reinstatement in a manner consistent with each  
11  licensing body's procedures and timelines. Such process shall provide  
12  options to process applications electronically or in paper form, individu-  
13  ally or in batches, in a manner consistent with the licensing body's pro-  
14  cesses. The secretary shall notify the licensing body if the licensee is de-  
15  linquent in the payment of taxes or the filing of returns after the appeal  
16  rights set forth in subsection (d) have expired or are exhausted.

17  (b) The secretary may require a licensing body to provide a list of all  
18  licensees including name, address, social security number or taxpayer  
19  identification number or federal employer identification number, which-  
20  ever is applicable, and the date of renewal for each licensee. Such list  
21  shall be provided electronically in the format required by the secretary  
22  not less than ~~60~~ days prior to the renewal date. Within 30 days of receipt  
23  of such list from the licensing body, the secretary shall review the listed  
24  licensees for tax delinquency and shall mail a notice of tax delinquency  
25  to any licensee who is delinquent in the payment of taxes or the filing of  
26  returns, and shall inform such licensee that the license may not be pro-  
27  cessed for issuance, renewal or reinstatement so long as such delinquency  
28  continues, and of the right to request an informal conference concerning  
29  such delinquency, as set forth in subsection (d). The secretary shall notify  
30  the licensing agency of the names of all listed licensees receiving tax  
31  clearance.

32  (c) (1) The secretary may require a licensing body to obtain a tax  
33  clearance certificate from the licensee to be submitted with the applica-  
34  tion for license issuance, renewal or reinstatement. Upon receipt of a  
35  request for a tax clearance certificate from any licensee, if such licensee  
36  is not delinquent in the payment of taxes or the filing of returns, the  
37  secretary shall issue, by mail or electronically, such certificate of tax clear-  
38  ance within 30 days to the licensee.

39  (2) If the licensee is delinquent in the payment of taxes or the filing  
40  of returns, the secretary shall mail to such licensee a notice of tax delin-  
41  quency and shall inform such licensee of the right to request an informal  
42  conference concerning such delinquent status.

43  (d) (1) Within 30 days after the mailing of a notice of tax delinquency

(3) If the secretary fails to issue a tax clearance certificate or notice of tax delinquency to the licensee within 30 days of the licensee's request for a tax clearance certificate, the licensee and licensing body may consider a tax clearance certificate to have been issued to the licensee for purposes of the license issuance, renewal or reinstatement at issue.

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1 by the secretary, the licensee may request an informal conference with  
2 the secretary or the secretary's designee relating to the licensee's tax de-  
3 linquency by filing a written request with the secretary or secretary's  
4 designee setting forth all reasons why such delinquency is contended to  
5 be incorrect. The purpose of such conference shall be to review and  
6 reconsider the facts and issues concerning the licensee's tax delinquency,  
7 but any final tax liability for which appeal rights have previously expired  
8 or been exhausted shall not be reviewable. The secretary of revenue or  
9 the secretary's designee shall hold an informal conference with the li-  
10 censee and shall issue a written final determination thereon within 30  
11 days after receipt of the request for an informal conference from the  
12 taxpayer. The informal conference shall not constitute an adjudicative  
13 proceeding under the Kansas administrative procedure act and shall be  
14 conducted in accordance with the procedures set forth in K.S.A. 79-3226,  
15 and amendments thereto.

16 (2) The written final determination shall be subject to appeal to the  
17 board of tax appeals, pursuant to K.S.A. 74-2438, and amendments  
18 thereto.

19 (3) Upon receipt of a request for informal conference from the li-  
20 censee, the secretary shall issue to the licensee a ~~provisional~~ tax clearance *de/ete*  
21 certificate, to be provided to the licensing body, which shall remain in  
22 effect until the written final determination is issued and any appeal rights  
23 concerning such written final determination are exhausted.

24 (4) If the licensee remains delinquent in the payment of taxes or the  
25 filing of returns following the exhaustion or expiration of appeal rights  
26 concerning the written final determination, the secretary shall provide to  
27 the licensing body a copy of the written final determination stating that  
28 the licensee is delinquent in the payment of taxes or the filing of returns.  
29 Upon receipt of such written final determination, such licensing body  
30 shall not process the issuance, renewal or reinstatement of any such li-  
31 cense until the licensee provides to the licensing body a tax clearance  
32 certificate issued by the secretary indicating that the licensee is no longer  
33 delinquent in the payment of taxes or the filing of returns. The pendency  
34 of any administrative or judicial appeal concerning a licensee's tax delin-  
35 quency shall not stay or otherwise affect the secretary's ability to take  
36 action to collect any taxes owed by the taxpayer.

37 New Sec. 5. If application for issuance, renewal or reinstatement of  
38 a license is not processed pursuant to sections 1 through 6, and amend-  
39 ments thereto, any funds paid by the licensee for such issuance, renewal  
40 or reinstatement shall not be refunded by the licensing body.

41 New Sec. 6. (a) Notwithstanding any provision of law prohibiting dis-  
42 closure by the secretary of the contents of taxpayer records or information  
43 and notwithstanding any confidentiality statute of any state agency or



1 licensing body, all information exchanged among or disclosed by the sec-  
 2 retary, the licensing body and the licensee necessary to accomplish and  
 3 effectuate the intent of sections 1 through 6, and amendments thereto,  
 4 is lawful.

5 (b) The information obtained by a licensing body from the depart-  
 6 ment of revenue as authorized by subsection (a) shall be used only for  
 7 the purpose authorized by this act. Any person employed by, or formerly  
 8 employed by, a licensing body, and who receives such information shall  
 9 be subject to the provisions of K.S.A. 79-3234, and amendments thereto,  
 10 or K.S.A. 79-3614, and amendments thereto, as applicable, with respect  
 11 to any confidential taxpayer information, and shall be subject to the same  
 12 duty of confidentiality with respect to such confidential information im-  
 13 posed by law on officers and employees of the department of revenue  
 14 and shall be subject to any civil or criminal penalties imposed by law for  
 15 violations of such duty of confidentiality.

16 New Sec. 7. ~~The provisions of sections 1 through 6 are expressly~~  
 17 ~~declared to be nonseverable.~~

18 9 Sec. 8. K.S.A. 2004 Supp. 41-311 is hereby amended to read as fol-  
 19 lows: 41-311. (a) No license of any kind shall be issued pursuant to the  
 20 liquor control act to a person:

21 (1) Who has not been a citizen of the United States for at least 10  
 22 years, except that the spouse of a deceased retail licensee may receive  
 23 and renew a retail license notwithstanding the provisions of this subsec-  
 24 tion (a)(1) if such spouse is otherwise qualified to hold a retail license and  
 25 is a United States citizen or becomes a United States citizen within one  
 26 year after the deceased licensee's death;

27 (2) who has been convicted of a felony under the laws of this state,  
 28 any other state or the United States;

29 (3) who has had a license revoked for cause under the provisions of  
 30 the liquor control act, the beer and cereal malt beverage keg registration  
 31 act or who has had any license issued under the cereal malt beverage laws  
 32 of any state revoked for cause except that a license may be issued to a  
 33 person whose license was revoked for the conviction of a misdemeanor  
 34 at any time after the lapse of 10 years following the date of the revocation;

35 (4) who has been convicted of being the keeper or is keeping a house  
 36 of prostitution or has forfeited bond to appear in court to answer charges  
 37 of being a keeper of a house of prostitution;

38 (5) who has been convicted of being a proprietor of a gambling house,  
 39 pandering or any other crime opposed to decency and morality or has  
 40 forfeited bond to appear in court to answer charges for any of those  
 41 crimes;

42 (6) who is not at least 21 years of age;

43 (7) who, other than as a member of the governing body of a city or

Any licensee delinquent in the payment of taxes or the filing of returns may voluntarily disclose such delinquency to the secretary between July 1, 2005 and December 31, 2005, and the secretary may waive all penalties associated with such delinquency if all past due tax liability of the licensee, including interest, is paid in full and all missing returns of the licensee are filed by December 31, 2005.

New Sec. 8. If any portion of sections 1 through 7 is held to be unconstitutional, such portion shall be considered severed from the balance of the provisions not so held, which shall remain in full force and effect.

1 county, appoints or supervises any law enforcement officer, who is a law  
2 enforcement official or who is an employee of the director;

3 (8) who intends to carry on the business authorized by the license as  
4 agent of another;

5 (9) who at the time of application for renewal of any license issued  
6 under this act would not be eligible for the license upon a first application,  
7 except as provided by subsection (a)(12);

8 (10) who is the holder of a valid and existing license issued under  
9 article 27 of chapter 41 of the Kansas Statutes Annotated unless the per-  
10 son agrees to and does surrender the license to the officer issuing the  
11 same upon the issuance to the person of a license under this act, except  
12 that a retailer licensed pursuant to K.S.A. 41-2702, and amendments  
13 thereto, shall be eligible to receive a retailer's license under the Kansas  
14 liquor control act;

15 (11) who does not own the premises for which a license is sought, or  
16 does not have a written lease thereon for at least  $\frac{3}{4}$  of the period for  
17 which the license is to be issued;

18 (12) whose spouse would be ineligible to receive a license under this  
19 act for any reason other than citizenship, residence requirements or age,  
20 except that this subsection (a)(12) shall not apply in determining eligibility  
21 for a renewal license;

22 (13) whose spouse has been convicted of a felony or other crime  
23 which would disqualify a person from licensure under this section and  
24 such felony or other crime was committed during the time that the spouse  
25 held a license under this act; ~~or~~

26 (14) who does not provide any data or information required by K.S.A.  
27 2004 Supp. 41-311b, and amendments thereto; *or*

28 (15) *who is not current in the payment of all taxes related directly to*  
29 *the business for which the license is issued and imposed pursuant to K.S.A.*  
30 *41-501 et seq., 79-3294 et seq., 79-3601 et seq., 79-4101 et seq. and 79-*  
31 *41a01 et seq., and amendments thereto, unless such taxes are under for-*  
32 *mal appeal or for which an agreement for the payment of such taxes has*  
33 *been entered into by the department of revenue and the person seeking*  
34 *licensure and such person is current in the payments under such agree-*  
35 *ment, and if the licensee is a corporation, partnership, trust or association,*  
36 *the individual officers, directors, stockholders, partners, managers or*  
37 *other individual members shall not be required to be current in the pay-*  
38 *ment of their own individual taxes as a condition of license issuance or*  
39 *renewal of any such entity's license.*

40 (b) No retailer's license shall be issued to:

41 (1) A person who is not a resident of this state;

42 (2) a person who has not been a resident of this state for at least four  
43 years immediately preceding the date of application;

- 1 (3) a person who has beneficial interest in the manufacture, prepara-  
2 tion or wholesaling of alcoholic beverages;
- 3 (4) a person who has beneficial interest in any other retail establish-  
4 ment licensed under this act, except that the spouse of a licensee may  
5 own and hold a retailer's license for another retail establishment;
- 6 (5) a copartnership, unless all of the copartners are qualified to obtain  
7 a license;
- 8 (6) a corporation; or
- 9 (7) a trust, if any grantor, beneficiary or trustee would be ineligible  
10 to receive a license under this act for any reason, except that the provi-  
11 sions of subsection (a)(6) shall not apply in determining whether a ben-  
12 eficiary would be eligible for a license.
- 13 (c) No manufacturer's license shall be issued to:
- 14 (1) A corporation, if any officer or director thereof, or any stockholder  
15 owning in the aggregate more than 25% of the stock of the corporation  
16 would be ineligible to receive a manufacturer's license for any reason  
17 other than citizenship and residence requirements;
- 18 (2) a copartnership, unless all of the copartners shall have been res-  
19 idents of this state for at least five years immediately preceding the date  
20 of application and unless all the members of the copartnership would be  
21 eligible to receive a manufacturer's license under this act;
- 22 (3) a trust, if any grantor, beneficiary or trustee would be ineligible  
23 to receive a license under this act for any reason, except that the provi-  
24 sions of subsection (a)(6) shall not apply in determining whether a ben-  
25 eficiary would be eligible for a license;
- 26 (4) an individual who is not a resident of this state; or
- 27 (5) an individual who has not been a resident of this state for at least  
28 five years immediately preceding the date of application.
- 29 (d) No distributor's license shall be issued to:
- 30 (1) A corporation, if any officer, director or stockholder of the cor-  
31 poration would be ineligible to receive a distributor's license for any rea-  
32 son. It shall be unlawful for any stockholder of a corporation licensed as  
33 a distributor to transfer any stock in the corporation to any person who  
34 would be ineligible to receive a distributor's license for any reason, and  
35 any such transfer shall be null and void, except that: (A) If any stockholder  
36 owning stock in the corporation dies and an heir or devisee to whom stock  
37 of the corporation descends by descent and distribution or by will is in-  
38 eligible to receive a distributor's license, the legal representatives of the  
39 deceased stockholder's estate and the ineligible heir or devisee shall have  
40 14 months from the date of the death of the stockholder within which to  
41 sell the stock to a person eligible to receive a distributor's license, any  
42 such sale by a legal representative to be made in accordance with the  
43 provisions of the probate code; or (B) if the stock in any such corporation

1 is the subject of any trust and any trustee or beneficiary of the trust who  
2 is 21 years of age or older is ineligible to receive a distributor's license,  
3 the trustee, within 14 months after the effective date of the trust, shall  
4 sell the stock to a person eligible to receive a distributor's license and  
5 hold and disburse the proceeds in accordance with the terms of the trust.  
6 If any legal representatives, heirs, devisees or trustees fail, refuse or ne-  
7 glect to sell any stock as required by this subsection, the stock shall revert  
8 to and become the property of the corporation, and the corporation shall  
9 pay to the legal representatives, heirs, devisees or trustees the book value  
10 of the stock. During the period of 14 months prescribed by this subsec-  
11 tion, the corporation shall not be denied a distributor's license or have its  
12 distributor's license revoked if the corporation meets all of the other  
13 requirements necessary to have a distributor's license;

14 (2) a copartnership, unless all of the copartners are eligible to receive  
15 a distributor's license; or

16 (3) a trust, if any grantor, beneficiary or trustee would be ineligible  
17 to receive a license under this act for any reason, except that the provi-  
18 sions of subsection (a)(6) shall not apply in determining whether a ben-  
19 eficiary would be eligible for a license.

20 (e) No nonbeverage user's license shall be issued to a corporation, if  
21 any officer, manager or director of the corporation or any stockholder  
22 owning in the aggregate more than 25% of the stock of the corporation  
23 would be ineligible to receive a nonbeverage user's license for any reason  
24 other than citizenship and residence requirements.

25 (f) No microbrewery license or farm winery license shall be issued to  
26 a:

27 (1) Person who is not a resident of this state;

28 (2) person who has not been a resident of this state for at least four  
29 years immediately preceding the date of application;

30 (3) person who has beneficial interest in the manufacture, prepara-  
31 tion or wholesaling of alcoholic beverages other than that produced by  
32 such brewery or winery;

33 (4) person, copartnership or association which has beneficial interest  
34 in any retailer licensed under this act or under K.S.A. 41-2702, and  
35 amendments thereto;

36 (5) copartnership, unless all of the copartners are qualified to obtain  
37 a license;

38 (6) corporation, unless stockholders owning in the aggregate 50% or  
39 more of the stock of the corporation would be eligible to receive such  
40 license and all other stockholders would be eligible to receive such license  
41 except for reason of citizenship or residency; or

42 (7) a trust, if any grantor, beneficiary or trustee would be ineligible  
43 to receive a license under this act for any reason, except that the provi-

1 sions of subsection (a)(6) shall not apply in determining whether a ben-  
2 eficiary would be eligible for a license.

3 (g) The provisions of subsections (b)(1), (b)(2), (c)(3), (c)(4), (d)(3),  
4 (f)(1), (f)(2) and K.S.A. 2004 Supp. 41-311b, and amendments thereto,  
5 shall not apply in determining eligibility for the 10th, or a subsequent,  
6 consecutive renewal of a license if the applicant has appointed a citizen  
7 of the United States who is a resident of Kansas as the applicant's agent  
8 and filed with the director a duly authenticated copy of a duly executed  
9 power of attorney, authorizing the agent to accept service of process from  
10 the director and the courts of this state and to exercise full authority,  
11 control and responsibility for the conduct of all business and transactions  
12 within the state relative to alcoholic liquor and the business licensed. The  
13 agent must be satisfactory to and approved by the director, except that  
14 the director shall not approve as an agent any person who:

15 (1) Has been convicted of a felony under the laws of this state, any  
16 other state or the United States;

17 (2) has had a license issued under the alcoholic liquor or cereal malt  
18 beverage laws of this or any other state revoked for cause, except that a  
19 person may be appointed as an agent if the person's license was revoked  
20 for the conviction of a misdemeanor and 10 years have lapsed since the  
21 date of the revocation;

22 (3) has been convicted of being the keeper or is keeping a house of  
23 prostitution or has forfeited bond to appear in court to answer charges of  
24 being a keeper of a house of prostitution;

25 (4) has been convicted of being a proprietor of a gambling house,  
26 pandering or any other crime opposed to decency and morality or has  
27 forfeited bond to appear in court to answer charges for any of those  
28 crimes; or

29 (5) is less than 21 years of age.

30 10 Sec. ~~8~~. K.S.A. 2004 Supp. 41-2623 is hereby amended to read as  
31 follows: 41-2623. (a) No license shall be issued under the provisions of  
32 this act to:

33 (1) Any person described in subsection (a)(1), (2), (4), (5), (6), (7),  
34 (8), (9), (12) ~~or~~, (13) or (15) of K.S.A. 41-311, and amendments thereto,  
35 except that the provisions of subsection (a)(7) of such section shall not  
36 apply to nor prohibit the issuance of a license for a class A club to an  
37 officer of a post home of a congressionally chartered service or fraternal  
38 organization, or a benevolent association or society thereof.

39 (2) A person who has had the person's license revoked for cause un-  
40 der the provisions of this act.

41 (3) A person who has not been a resident of this state for a period of  
42 at least one year immediately preceding the date of application.

43 (4) A person who has a beneficial interest in the manufacture, prep-

1 aration or wholesaling or the retail sale of alcoholic liquors or a beneficial  
2 interest in any other club, drinking establishment or caterer licensed here-  
3 under, except that:

4 (A) A license for premises located in a hotel may be granted to a  
5 person who has a beneficial interest in one or more other clubs or drinking  
6 establishments licensed hereunder if such other clubs or establishments  
7 are located in hotels.

8 (B) A license for a club or drinking establishment which is a restau-  
9 rant may be issued to a person who has a beneficial interest in other clubs  
10 or drinking establishments which are restaurants.

11 (C) A caterer's license may be issued to a person who has a beneficial  
12 interest in a club or drinking establishment and a license for a club or  
13 drinking establishment may be issued to a person who has a beneficial  
14 interest in a caterer.

15 (D) A license for a class A club may be granted to an organization of  
16 which an officer, director or board member is a distributor or retailer  
17 licensed under the liquor control act if such distributor or retailer sells  
18 no alcoholic liquor to such club.

19 (E) On and after January 1, 1988, a license for a class B club or  
20 drinking establishment may be granted to a person who has a beneficial  
21 interest in a microbrewery or farm winery licensed pursuant to the Kansas  
22 liquor control act.

23 (5) A copartnership, unless all of the copartners are qualified to ob-  
24 tain a license.

25 (6) A corporation, if any officer, manager or director thereof, or any  
26 stockholder owning in the aggregate more than 5% of the common or  
27 preferred stock of such corporation would be ineligible to receive a li-  
28 cense hereunder for any reason other than citizenship and residence  
29 requirements.

30 (7) A corporation, if any officer, manager or director thereof, or any  
31 stockholder owning in the aggregate more than 5% of the common or  
32 preferred stock of such corporation, has been an officer, manager or di-  
33 rector, or a stockholder owning in the aggregate more than 5% of the  
34 common or preferred stock, of a corporation which:

35 (A) Has had a license revoked under the provisions of the club and  
36 drinking establishment act; or

37 (B) has been convicted of a violation of the club and drinking estab-  
38 lishment act or the cereal malt beverage laws of this state.

39 ~~(8) A corporation organized under the laws of any state other than  
40 this state.~~

41 ~~(9) A trust, if any grantor, beneficiary or trustee would be ineligible  
42 to receive a license under this act for any reason, except that the provi-  
43 sions of subsection (a)(6) of K.S.A. 41-311, and amendments thereto shall~~

1 not apply in determining whether a beneficiary would be eligible for a  
2 license.

3 (b) No club or drinking establishment license shall be issued under  
4 the provisions of the club and drinking establishment act to:

5 (1) A person described in subsection (a)(11) of K.S.A. 41-311, and  
6 amendments thereto.

7 (2) A person who is not a resident of the county in which the premises  
8 sought to be licensed are located.

12

9 Sec. ~~10~~ K.S.A. 77-512 is hereby amended to read as follows: 77-512.

10 A state agency may not revoke, suspend, modify, annul, withdraw, refuse  
11 to renew, or amend a license unless the state agency first gives notice and  
12 an opportunity for a hearing in accordance with this act, *or unless a state  
13 agency receives notification from the secretary of revenue that a licensee  
14 is delinquent in the payment of taxes or the filing of a tax return, in which  
15 case the provisions of section 1, et seq., and amendments thereto, shall  
16 apply.* This section does not preclude a state agency from (a) taking im-  
17 mediate action to protect the public interest in accordance with K.S.A.  
18 77-536, and amendments thereto, or (b) adopting rules and regulations,  
19 otherwise within the scope of its authority, pertaining to a class of licens-  
20 ees, including rules and regulations affecting the existing licenses of a  
21 class of licensees.

Insert attached  
← amendment to  
K.S.A. 77-511 (d).

13

22 Sec. ~~11~~ K.S.A. 77-512 and K.S.A. 2004 Supp. 41-311 and 41-2623  
23 are hereby repealed.

14

24 Sec. ~~12~~ This act shall take effect ~~and be in force from and after its~~  
25 ~~publication in the statute book.~~

on and a ~~to~~  
January 1, 2006.

# Kansas Statutes Annotated

Updated Through the 2003 Legislative Session

**Statute Number:** 77-511  
**Chapter Title:** STATUTES; ADMINISTRATIVE RULES AND REGULATIONS AND PROCEDURE  
**Article Title:** ADMINISTRATIVE PROCEDURE ACT  
**Tax Type:** All  
**Brief Description:** Time limits for processing application for an order or a request for a hearing; expiration of license, when.  
**Keywords:**

**Body:**

77-511

Chapter 77.--STATUTES; ADMINISTRATIVE RULES AND REGULATIONS AND PROCEDURE

Article 5.--ADMINISTRATIVEPROCEDURE ACT

77-511. Time limits for processing application for an order or a request for a hearing; expiration of license, when. (a) Except to the extent that the time limits in this subsection are inconsistent with limits established by another statute, a state agency shall process an application for an order on which a statute provides for a hearing under this act as follows:

(1) Within 30 days after receipt of the application, the state agency shall acknowledge receipt thereof and inform the applicant of the name, official title, mailing address and telephone number of a state agency member or employee who may be contacted regarding the application. As soon as practicable, the state agency shall notify the applicant of any apparent errors or omissions. Failure to detect such errors or omissions does not preclude the state agency from raising them at a later stage of the proceeding.

(2) When practicable, within 90 days after receipt of a completed application, the state agency shall:

(A) Approve or deny the application, in whole or in part, on the basis of emergency or summary proceedings, if those proceedings are available under this act for disposition of the matter; or

(B) commence a formal hearing or a conference hearing in accordance with this act.

(b) Except to the extent that the time limits in this subsection are inconsistent with limits established by another statute, a state agency shall process a request for a hearing as follows:

(1) Within 30 days after receipt of the request, the state agency shall acknowledge receipt thereof and if the state agency has not previously done so, the state agency shall notify the applicant of the name, official title, mailing address and telephone number of a state agency member or employee who may be contacted regarding the request; and

(2) when practicable, within 90 days after receipt of the request the state agency shall commence a formal or conference hearing in accordance with this act unless a statute makes the granting of a hearing discretionary with the state agency and the state agency determines not to conduct a hearing.

(c) A hearing commences when the state agency or presiding officer notifies a party that a prehearing conference or other stage of the hearing will be conducted.

(d) If a timely and sufficient application has been made for renewal of a license with reference to any activity of a continuing nature, the existing license does not expire until the state agency has taken final action upon the application for renewal or, if the state agency's action is unfavorable, until the last day for seeking judicial review of the state agency's action or a later date fixed by the reviewing court.

History: L. 1984, ch. 313, § 11; L. 1986, ch. 362, § 2; L. 1988, ch. 356, § 5; L. 1989, ch. 283, § 2; July 1.

"When the state agency has received notice from the secretary of revenue pursuant to Subsection 4(d)(4) of 2005 Senate Bill 15 that the licensee is delinquent in the payment of taxes or the filing of returns, such application for license renewal shall not be considered timely and sufficient and shall not be processed. Such license shall expire, unless prior to the expiration date, the state agency has received from the secretary of revenue a tax clearance certificate, as defined at Subsection 1(q) of 2005 Senate Bill 15."



SENATE BILL No. 15

By Special Committee on Assessment and Taxation

1-4

9 AN ACT concerning taxation; relating to delinquent taxes; licenses;  
10 amending K.S.A. 77-512 and K.S.A. 2004 Supp. 41-311 and 41-2623  
11 and repealing the existing sections.

12

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

14 New Section 1. As used in sections 1 through 6, and amendments  
15 thereto:

16 (a) "License" means a certificate, permit, registration or other doc-  
17 ument issued or approved by a licensing body in this state, issued pursuant  
18 to K.S.A. 1-301 *et seq.*, ~~K.S.A. 7-103 *et seq.*~~, K.S.A. 9-2201 *et seq.*, K.S.A.  
19 15-1501 *et seq.*, K.S.A. 17-1254 *et seq.*, K.S.A. 36-501 *et seq.*, K.S.A. 40-  
20 201 *et seq.*, K.S.A. 40-240 *et seq.*, K.S.A. 40-3701 *et seq.*, K.S.A. 40-3801  
21 *et seq.*, K.S.A. 40-5001 *et seq.*, K.S.A. 47-814 *et seq.*, K.S.A. 47-1001 *et*  
22 *seq.*, K.S.A. 47-1201 *et seq.*, K.S.A. 47-1301 *et seq.*, K.S.A. 47-1501 *et seq.*,  
23 K.S.A. 47-1701 *et seq.*, K.S.A. 47-1801 *et seq.*, K.S.A. 55-155 *et seq.*,  
24 K.S.A. 58-2801 *et seq.*, K.S.A. 58-4121 *et seq.*, K.S.A. 58-3034 *et seq.*,  
25 K.S.A. 65-401 *et seq.*, K.S.A. 65-502 *et seq.*, K.S.A. 65-688 *et seq.*, K.S.A.  
26 65-1101 *et seq.*, K.S.A. 65-1401 *et seq.*, K.S.A. 65-1501 *et seq.*, K.S.A.  
27 1601 *et seq.*, K.S.A. 65-1626 *et seq.*, K.S.A. 65-1701 *et seq.*, K.S.A. 65-  
28 1808 *et seq.*, K.S.A. 65-1901 *et seq.*, K.S.A. 65-2001 *et seq.*, K.S.A. 65-  
29 2801 *et seq.*, K.S.A. 65-28a01 *et seq.*, K.S.A. 65-2901 *et seq.*, K.S.A. 65-  
30 3424b *et seq.*, K.S.A. 65-34,145 *et seq.*, K.S.A. 65-3501 *et seq.*, K.S.A.  
31 65-4001 *et seq.*, K.S.A. 65-4101 *et seq.*, K.S.A. 65-4201 *et seq.*, K.S.A. 65-  
32 4501 *et seq.*, K.S.A. 65-5101 *et seq.*, K.S.A. 65-5401 *et seq.*, K.S.A. 65-  
33 5501 *et seq.*, K.S.A. 65-5801 *et seq.*, K.S.A. 65-5901 *et seq.*, K.S.A. 65-  
34 6101 *et seq.*, K.S.A. 65-6301 *et seq.*, K.S.A. 65-6401 *et seq.*, K.S.A. 65-6501  
35 *et seq.*, K.S.A. 65-6601 *et seq.*, K.S.A. 65-6901 *et seq.*, K.S.A. 65-7201 *et*  
36 *seq.*, K.S.A. 68-2205 *et seq.*, K.S.A. 68-2236 *et seq.*, K.S.A. 72-1371 *et seq.*,  
37 K.S.A. 74-5301 *et seq.*, K.S.A. 74-5801 *et seq.*, K.S.A. 74-7001 *et seq.*,  
38 K.S.A. 75-7601 *et seq.*, and K.S.A. 82a-1201 *et seq.* and amendments  
39 thereto;

40 (b) "licensing body" means the abstractor's board of examiners, board  
41 of accountancy, board of adult care home administrators, animal health  
42 board, attorney general, banking commission, board of barbering, behav-  
43 ioral sciences regulatory board, department of commerce, corporation

*delete*

1 commission, board of cosmetology, dental board, emergency medical  
 2 services board, department of health and environment, board of healing  
 3 arts, board of examiners in fitting and dispensing hearing aids, insurance  
 4 department, board of mortuary arts, board of nursing, board of examiners  
 5 in optometry, board of pharmacy, real estate appraisal board, real estate  
 6 commission, securities commissioner, speech-language pathology and au- *delete*  
 7 diology board, state board of education, ~~supreme court~~, board of technical  
 8 professions, department of transportation and board of veterinary  
 9 examiners;

10 (c) "licensee" means any person who is applying for issuance of or  
 11 has been issued a license. "Licensee" shall include, but not be limited to,  
 12 an abstractor, adult care home administrator, barber school, barber col-  
 13 lege, barber instructor, barber, noncompetitive boxing, karate, kick box-  
 14 ing, competitive boxing, mixed martial arts, professional wrestling, school  
 15 of cosmetology, school of nail technology, school of esthetics, school of  
 16 electrology, cosmetology instructor, salon, clinic, tanning facility, cosme-  
 17 tologist, cosmetology technician, cosmetology apprentice, electrologist,  
 18 electrologist apprentice, manicurist, manicurist apprentice, esthetician,  
 19 esthetician apprentice, tattoo artist, tattoo facility, permanent color tech-  
 20 nician, permanent color facility, body piercer, body piercing facility, pub-  
 21 lic livestock market operator, animal carcass disposal plant, garbage feed-  
 22 ing operator, feedlot operator, animal distributor, animal breeder, hobby  
 23 breeder, retail breeder, pet shop operator, pound or animal shelter, ken-  
 24 nel operator, animal research facility, livestock dealer, private detective,  
 25 private detective agency, mortgage business, clinical psychologist, master *delete*  
 26 level psychologist, ~~attorney~~, certified public accountant, municipal public  
 27 accountant, professional counselor, clinical professional counselor, master  
 28 social worker, specialist clinical social worker, social work associate, social  
 29 worker, marriage and family therapist, clinical marriage and family ther-  
 30 apist, alcohol or drug abuse counselor, dentist, dental intern, dental hy-  
 31 gienist, highway advertising, junkyard certificate of compliance, insurance  
 32 company, viatical settlement provider or broker, insurer administrator,  
 33 insurance broker, bail bondsman, emergency medical services attendant,  
 34 emergency medical technician, emergency medical technician-defibril-  
 35 lator, emergency medical technician-intermediate, first responder, emer-  
 36 gency medical instructor-coordinator, mobile intensive care technician,  
 37 ambulance operator, emergency medical training officer, medical doctor,  
 38 surgeon, osteopathic physician, chiropractor, podiatrist, physician assis-  
 39 tant, physical therapist, physical therapist assistant, occupational therapist,  
 40 respiratory therapist, athletic trainer, naturopathic doctor, insurance  
 41 agent, embalmer, funeral director, assistant funeral director, apprentice  
 42 funeral director, funeral establishment, branch funeral establishment,  
 43 crematory, practical nurse, professional nurse, mental health technician,

1 licensing body, all information exchanged among or disclosed by the sec-  
2 retary, the licensing body and the licensee necessary to accomplish and  
3 effectuate the intent of sections 1 through 6, and amendments thereto,  
4 is lawful.

5 (b) The information obtained by a licensing body from the depart-  
6 ment of revenue as authorized by subsection (a) shall be used only for  
7 the purpose authorized by this act. Any person employed by, or formerly  
8 employed by, a licensing body, and who receives such information shall  
9 be subject to the provisions of K.S.A. 79-3234, and amendments thereto,  
10 or K.S.A. 79-3614, and amendments thereto, as applicable, with respect  
11 to any confidential taxpayer information, and shall be subject to the same  
12 duty of confidentiality with respect to such confidential information im-  
13 posed by law on officers and employees of the department of revenue  
14 and shall be subject to any civil or criminal penalties imposed by law for  
15 violations of such duty of confidentiality.

16 ~~New Sec. 7. The provisions of sections 1 through 6 are expressly~~  
17 ~~declared to be unseverable.~~

18 Sec. 8. K.S.A. 2004 Supp. 41-311 is hereby amended to read as fol-  
19 lows: 41-311. (a) No license of any kind shall be issued pursuant to the  
20 liquor control act to a person:

21 (1) Who has not been a citizen of the United States for at least 10  
22 years, except that the spouse of a deceased retail licensee may receive  
23 and renew a retail license notwithstanding the provisions of this subsec-  
24 tion (a)(1) if such spouse is otherwise qualified to hold a retail license and  
25 is a United States citizen or becomes a United States citizen within one  
26 year after the deceased licensee's death;

27 (2) who has been convicted of a felony under the laws of this state,  
28 any other state or the United States;

29 (3) who has had a license revoked for cause under the provisions of  
30 the liquor control act, the beer and cereal malt beverage keg registration  
31 act or who has had any license issued under the cereal malt beverage laws  
32 of any state revoked for cause except that a license may be issued to a  
33 person whose license was revoked for the conviction of a misdemeanor  
34 at any time after the lapse of 10 years following the date of the revocation;

35 (4) who has been convicted of being the keeper or is keeping a house  
36 of prostitution or has forfeited bond to appear in court to answer charges  
37 of being a keeper of a house of prostitution;

38 (5) who has been convicted of being a proprietor of a gambling house,  
39 pandering or any other crime opposed to decency and morality or has  
40 forfeited bond to appear in court to answer charges for any of those  
41 crimes;

42 (6) who is not at least 21 years of age;

43 (7) who, other than as a member of the governing body of a city or

Section 7. The supreme court shall, upon request, provide to the secretary of revenue the names and social security numbers of all attorneys admitted to the bar of this state and all persons who have applied for admission to the bar of this state. The secretary of revenue is authorized to file a complaint with and provide to the disciplinary administrator of the supreme court specific taxpayer information concerning any attorney admitted to the bar of this state, or seeking admission to the bar of this state, who the secretary has determined is delinquent in the payment of taxes or the filing of returns with the state. Prior to filing the complaint, the secretary shall notify the attorney of the delinquent tax status, and such attorney shall have access to the administrative review process set forth in subsection 4(d). Notwithstanding any provision of law prohibiting disclosure by the secretary of the contents of taxpayer records or information, such disclosure to the disciplinary administrator is lawful.

### Information from Existing Tax Clearance Programs of Other States

State	Description
Arizona	Arizona red flags the licensees account if there is an outstanding liability, or nonfiled period. The outstanding issues must be cleared up by the licensee before the license will be released, such as an acceptable payment plan, or paid in full. Success of the program is measured by the number of accounts researched, number of licensees or registrations that result in a default letter, and amount of revenues collected from such accounts. 4,000-5,000 licensee/registration enforcement letters (notification for outstanding debt or nonfiled periods) are issued annually. Revenues peaked in FY 1999 with \$28 million collected as a result of holding licenses until taxes were current. We have found these programs flatten out after the first few years to a more compliant inventory of licensees, which is the overall goal.
California	<p>California has uses licensee lists in tax discovery and matching programs. They issue assessments for the targeted industry average income for nonfilers. They do hold liquor licenses until all debts are paid. Very successful program but did not have the revenue research available at the time of contact, will contact. What they have found are that 11% of individuals are non-filers. Those who have since filed were surveyed as to the reason why they did not initially file:</p> <p><u>Reasons why individuals did not file,</u></p> <ul style="list-style-type: none"> <li>- 21% Personal problems</li> <li>- 17% Do not have the necessary paperwork</li> <li>- 13% Do not have the money to file</li> <li>- 10% Procrastination</li> <li>- 39% Did not provide a reason</li> </ul> <p><u>Non-Filer Statistics - Top 5 Industries,</u></p> <ul style="list-style-type: none"> <li>- 10.4% Health Services</li> <li>- 9.6% Business Services</li> <li>- 9.6% Personal Services</li> <li>- 7.6% Real Estate</li> <li>- 7.4% Engineering/Accounting</li> </ul>
Delaware	Businesses that require a license must pass a Tax Clearance. The revenue department has the power to revoke or not renew a license in the case of tax delinquency. Has been and extremely effective program. When people know their professional license may become involved, we have found they become compliant quickly to avoid such an action. People are very protective of their professional license, we have found they will step up and get right to protect that license. Self compliance certainly helps.
Hawaii	Hawaii's Tax Clearance Program is limited in its scope. Contractors, real estate agents, motor carriers, and liquor licenses are required to have a tax clearance. A license may be revoked if the licensee's tax obligations are not satisfied.
Illinois	A "Professional Licensing Unit" is set up to monitor delinquent taxpayers who have professional licenses and to initiate collection action on those accounts. Licensing agencies assist in collections efforts by revoking the professional licenses of delinquent taxpayers.
Indiana	All licensing agencies are required to provide licensee applicants and renewal information <u>prior to renewal or issuance of license</u> . Licensee or applicant must make necessary arrangements to pay taxes by payplan or in full to obtain clearance, or risk losing their license.
Maryland	This program requires certain state agencies to verify that an applicant for renewal of a license has paid, or satisfactorily arranged for payment of, state taxes before the license is renewed. Implemented in 2003, this program has DENIED 31,000 Tax Clearances. Of those, 78% are now APPROVED and a larger portion of those remaining denied are still in an appeal period (they have not lost their license). This program is responsible for the collection of \$33.0 million.

Assessment & Taxation

Date 02-08-05

Attachment # 3



<b>Minnesota</b>	Minnesota has had variations of its current Tax Clearance program since the mid-1980s. The current Tax Clearance program allows a professional license to be revoked if the licensee refuses to address their tax obligation. State and Municipal taxes are included for the Tax Clearance. This long standing program has <u>created</u> a culture of taxpayers who respect all of their tax obligations. In fiscal year 2004 the State only notified 593 licensees of delinquencies, a very small percentage of the states total licensee population. The program was responsible for \$1.6 million in collections for fiscal year 2004. Creating voluntary compliance has been successful from this program. Simply having knowledge that their license could be involved incents them to file and pay responsibly
<b>Missouri</b>	Implemented in 2004, this program affects 475,000 professional licensees. Licensing agencies submit listings to the Tax Departments. Non-compliant licensees are contacted by the Department. Licensees must enter into payment arrangements or pay the balance in full. <u>Initial non-compliance rates were 32%. After simple notification of non-compliance this rate reduced to 5.2%. a 27% positive impact in just a few months.</u> To date, only half of all licensee notices have been processed, resulting in collections of \$6.1 million and several thousand payment arrangements ... so far.
<b>New York</b>	New York's Tax Clearance Program is limited in scope. The program includes vehicle repair shops, registrants for certain vehicles, liquor licenses, street vendors, lottery agents, cigarette agents, and motor fuel distributors. A License can be denied or revoked if the licensee fails to obtain a tax clearance.
<b>Oklahoma</b>	All agencies that issue licenses are required to submit a list of individuals who are applying for a license or renewal to the Tax Commission for verification of income tax compliance. Through April 1, 2004, there have been 822,000 applications reviewed. Initial compliance measurements were not readily available from Oklahoma, but the current compliance rate is known today to be 92%, and 8% still noncompliance or working on it, which is a dramatic improvement. Collections, since implementation, total \$52.1 million.
<b>Rhode Island</b>	Rhode Island requires tax clearances for state vendors and liquor licensees. All taxes must be paid prior to issuing the clearance. Vendor contracts and liquor licenses are revoked if approved tax clearance is not achieved and maintained.
<b>South Dakota</b>	South Dakota has a "licensee review program." Through this state issued license matching program the revenue department receives leads on unpaid tax obligations. The program has been successful in finding nonfilers, and outstanding balances.
<b>Vermont</b>	Vermont requires every person who is licensed to practice an occupation or professional to certify that he or she is in good standing with State taxes in order to receive a license. Contractors to the State are also required to certify good standing (tax clearance) prior to being awarded a contract. In the case a vendor lapses into an outstanding debt during the contract the revenue department will set off, against state payments, to satisfy the debt. The State also reserves the right to void the contract for noncompliance.
<b>Georgia</b>	According to Georgia's State Constitution (by recent amendment), anyone who desires to run for <u>any</u> local to state level elected office must first pass a tax clearance or is not eligible to register to file, or run for office.

# Kansas Department of Revenue

## Kansas Tax Clearance *Sample* Statistics

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Tax Clearances were run for the entire licensee membership of the following volunteer agencies.

*Board of Accountancy*

*Board of Cosmetology*

*Dental Board*

*Board of EMS*

*Board of Nursing*

*Board of Optometry*

*Board of Healing Arts*

*Real Estate Commission*

*Board of Mortuary Arts*

*Board of Pharmacy*

*Behavioral Sciences Reg. Board*

*Board of Barber Examiners*

Estimated total number of Kansas Licensees	350,000
Total number of licensees in sample	127,489
Sample size as percent of estimated total	36.4%
Total number of Kansas Resident licensees in sample	83,041
Total number of <i>compliant</i> KS residents	67,904
Total percentage of <i>compliant</i> KS residents	81.8%
Total number of <i>noncompliance</i> KS residents	15,137
Total percentage of <i>noncompliance</i> KS residents	18.2%
Outstanding balances for this sample (on the books)	<u>\$8.8 Million</u>

*Note: Non-Filer credits and balances are unknown*

**Tax Clearance Research Results**  
As of 01/25/2005

3-4

<b>COMPLIANCE</b>	<b>Kansas Residents</b>	
Board of Account	2,189	85.3%
Board of Cosmetology	14,871	80.5%
Dental Board	991	74.5%
Board of EMS	4	57.1%
Board of Nursing	30,192	82.1%
Board of Optometry	318	69.6%
Board of Healing Arts	9,361	71.8%
Real Estate Commission	76	86.4%
Board of Mortuary Arts	782	82.1%
Board of Pharmacy	2,125	85.9%
Behavioral Sciences Reg. Board	5,418	83.5%
Board of Barber Examiners	179	48.0%
<b>TOTAL COMPLIANT</b>	<b>66,506</b>	<b>80.1%</b>

<b>Other State Residents</b>	
211	30.8%
924	32.4%
77	18.9%
-	0.0%
1,788	27.2%
19	17.4%
1,118	22.0%
-	0.0%
33	20.0%
203	18.2%
359	33.5%
12	12.8%
<b>4,744</b>	<b>26.1%</b>

<b>Residency Not Provided</b>	
7	46.7%
1	100.0%
-	0.0%
7,854	74.2%
114	73.1%
5	45.5%
5	11.9%
10,154	65.5%
3	75.0%
2	50.0%
2	22.2%
-	0.0%
<b>18,147</b>	<b>68.9%</b>

<b>All Locations</b>	
2,407	73.7%
15,796	74.1%
1,068	61.4%
7,858	74.2%
32,094	73.8%
342	59.3%
10,484	57.7%
10,230	65.6%
818	72.9%
2,330	64.8%
5,779	76.4%
191	40.9%
<b>89,397</b>	<b>70.1%</b>

<b>NON-COMPLIANCE</b>		
Board of Account	234	9.1%
Board of Cosmetology	3,523	19.1%
Dental Board	200	15.0%
Board of EMS	2	28.6%
Board of Nursing	6,307	17.1%
Board of Optometry	99	21.7%
Board of Healing Arts	3,090	23.7%
Real Estate Commission	11	12.5%
Board of Mortuary Arts	152	15.9%
Board of Pharmacy	290	11.7%
Behavioral Sciences Reg. Board	1,035	16.0%
Board of Barber Examiners	194	52.0%
<b>TOTAL NON-COMPLIANT</b>	<b>15,137</b>	<b>18.2%</b>

442	64.5%
1,914	67.0%
310	76.2%
-	0.0%
4,731	72.1%
88	80.7%
3,694	72.8%
4	100.0%
131	79.4%
895	80.1%
703	65.6%
82	87.2%
<b>12,994</b>	<b>71.6%</b>

7	46.7%
-	0.0%
1	100.0%
2,528	23.9%
40	25.6%
5	45.5%
36	85.7%
4,907	31.6%
1	25.0%
2	50.0%
7	77.8%
-	0.0%
<b>7,534</b>	<b>28.6%</b>

683	20.9%
5,432	25.5%
511	29.4%
2,530	23.9%
11,078	25.5%
192	33.3%
6,820	37.6%
4,922	31.5%
284	25.3%
1,187	33.0%
1,745	23.1%
276	59.1%
<b>35,660</b>	<b>28.0%</b>

<b>PENDING</b>		
Board of Account	144	5.6%
Board of Cosmetology	74	0.4%
Dental Board	140	10.5%
Board of EMS	1	14.3%
Board of Nursing	289	0.8%
Board of Optometry	40	8.8%
Board of Healing Arts	594	4.6%
Real Estate Commission	1	1.1%
Board of Mortuary Arts	19	2.0%
Board of Pharmacy	60	2.4%
Behavioral Sciences Reg. Board	36	0.6%
Board of Barber Examiners	-	
<b>TOTAL PENDING</b>	<b>1,398</b>	<b>1.7%</b>

32	4.7%
18	0.6%
20	4.9%
-	0.0%
47	0.7%
2	1.8%
260	5.1%
-	0.0%
1	0.6%
19	1.7%
9	0.8%
<b>408</b>	<b>2.2%</b>

1	6.7%
-	0.0%
-	0.0%
207	2.0%
2	1.3%
1	9.1%
1	2.4%
451	2.9%
-	0.0%
-	0.0%
-	0.0%
<b>663</b>	<b>2.5%</b>

177	5.4%
92	0.4%
160	9.2%
208	2.0%
338	0.8%
43	7.5%
855	4.7%
452	2.9%
20	1.8%
79	2.2%
45	0.6%
<b>2,469</b>	<b>1.9%</b>

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Tax Clearance Research Results**

3-5

**Agency Code and Name: 028 Board of Accountancy**

Tax Status	Kansas Residents		Other State Residents		Residency Not Provided		All Locations	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
APPROVED	2,189	85.3%	210	30.7%	7	46.7%	2,406	74%
BANKRUPTCY		0.0%	1	0.1%		0.0%	1	0%
<b>COMPLIANT</b>	<b>2,189</b>	<b>85.3%</b>	<b>211</b>	<b>30.8%</b>	<b>7</b>	<b>46.7%</b>	<b>2,407</b>	<b>73.7%</b>
DRUG TAX BALANCE	2	0.1%	1	0.1%	-	0.0%	3	0.1%
NON-FILED	186	7.2%	431	62.9%	6	40.0%	623	19.1%
NON-FILED & BALANCE	10	0.4%	4	0.6%	1	6.7%	15	0.5%
OUTSTANDING BALANCE	36	1.4%	6	0.9%		0.0%	42	1.3%
<b>NON-COMPLIANT</b>	<b>234</b>	<b>9.1%</b>	<b>442</b>	<b>64.5%</b>	<b>7</b>	<b>46.7%</b>	<b>683</b>	<b>20.9%</b>
WORKLISTED	144	5.6%	32	4.7%	1	6.7%	177	5%
<b>PENDING</b>	<b>144</b>	<b>5.6%</b>	<b>32</b>	<b>4.7%</b>	<b>1</b>	<b>6.7%</b>	<b>177</b>	<b>5.4%</b>
<b>TOTAL</b>	<b>2,567</b>		<b>685</b>		<b>15</b>		<b>3,267</b>	

**Agency Code and Name: 149 Kansas State Board of Cosmetology**

Tax Status	Kansas Residents		Other State Residents		Residency Not Provided		All Locations	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
APPROVED	14,835	80.3%	920	32.2%	1	100.0%	15,756	74%
BANKRUPTCY	36	0.2%	4	0.1%	-	0.0%	40	0%
<b>COMPLIANT</b>	<b>14,871</b>	<b>80.5%</b>	<b>924</b>	<b>32.4%</b>	<b>1</b>	<b>100.0%</b>	<b>15,796</b>	<b>74.1%</b>
DRUG TAX BALANCE	5	0.0%	1	0.0%	-	0.0%	6	0.0%
NON-FILED	2,893	15.7%	1,849	64.7%	-	0.0%	4,742	22.2%
NON-FILED & BALANCE	236	1.3%	47	1.6%	-	0.0%	283	1.3%
OUTSTANDING BALANCE	389	2.1%	18	0.6%	-	0.0%	407	1.9%
<b>NON-COMPLIANT</b>	<b>3,523</b>	<b>19.1%</b>	<b>1,914</b>	<b>67.0%</b>	<b>-</b>	<b>0.0%</b>	<b>5,432</b>	<b>25.5%</b>
WORKLISTED	74	0.4%	18	0.6%	-	0.0%	92	0%
<b>PENDING</b>	<b>74</b>	<b>0.4%</b>	<b>18</b>	<b>0.6%</b>	<b>-</b>	<b>0.0%</b>	<b>92</b>	<b>0.4%</b>
<b>TOTAL</b>	<b>18,468</b>		<b>2,856</b>		<b>1</b>		<b>21,320</b>	

\* Licensee residence determined by licensing agency.  
\*\* Accountancy tax clearances ran several times. Additional results at report's end.



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Tax Clearance Research Results**

3-6

**Agency Code and Name: 167 Kansas Dental Board**

Tax Status	Kansas Residents		Other State Residents		Residency Not Provided		All Locations	
APPROVED	988	74.2%	77	18.9%		0.0%	1,065	61%
BANKRUPTCY	3	0.2%		0.0%		0.0%	3	0%
<b>COMPLIANT</b>	<b>991</b>	<b>74.5%</b>	<b>77</b>	<b>18.9%</b>	<b>-</b>	<b>0.0%</b>	<b>1,068</b>	<b>61.4%</b>
NON-FILED	142	10.7%	309	75.9%	1	100.0%	452	26%
NON-FILED & BALANCE	15	1.1%		0.0%		0.0%	15	1%
OUTSTANDING BALANCE	43	3.2%	1	0.2%		0.0%	44	3%
<b>NON-COMPLIANT</b>	<b>200</b>	<b>15.0%</b>	<b>310</b>	<b>76.2%</b>	<b>1</b>	<b>100.0%</b>	<b>511</b>	<b>29.4%</b>
WORKLISTED	140	10.5%	20	4.9%		0.0%	160	9%
<b>PENDING</b>	<b>140</b>	<b>10.5%</b>	<b>20</b>	<b>4.9%</b>	<b>-</b>	<b>0.0%</b>	<b>160</b>	<b>9.2%</b>
<b>TOTAL</b>	<b><u>1,331</u></b>		<b><u>407</u></b>		<b><u>1</u></b>		<b><u>1,739</u></b>	

**Agency Code and Name: 206 Board of Emergency Medical Services**

APPROVED	4	57.1%			7,831	74.0%	7,835	74%
BANKRUPTCY		0.0%			23	0.2%	23	0%
<b>COMPLIANT</b>	<b>4</b>	<b>57.1%</b>	<b>-</b>		<b>7,854</b>	<b>74.2%</b>	<b>7,858</b>	<b>74.2%</b>
DRUG TAX BALANCE		0.0%			1	0.0%	1	0%
NON-FILED	2	28.6%			1,652	15.6%	1,654	16%
NON-FILED & BALANCE		0.0%			129	1.2%	129	1%
OUTSTANDING BALANCE		0.0%			746	7.0%	746	7%
<b>NON-COMPLIANT</b>	<b>2</b>	<b>28.6%</b>	<b>-</b>		<b>2,528</b>	<b>23.9%</b>	<b>2,530</b>	<b>23.9%</b>
WORKLISTED	1	14.3%			207	2.0%	208	2%
<b>PENDING</b>	<b>1</b>	<b>14.3%</b>	<b>-</b>		<b>207</b>	<b>2.0%</b>	<b>208</b>	<b>2.0%</b>
<b>TOTAL</b>	<b><u>7</u></b>		<b><u>-</u></b>		<b><u>10,589</u></b>		<b><u>10,596</u></b>	

\* Licensee residence determined by licensing agency.

\*\* Accountancy tax clearances ran several times. Additional results at report's end.

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Tax Clearance Research Results**

3-7

**Agency Code and Name: 482 Board of Nursing**

Tax Status	Kansas Residents		Other State Residents		Residency Not Provided		All Locations	
APPROVED	30,066	81.7%	1,781	27.1%	114	73.1%	31,961	73%
BANKRUPTCY	126	0.3%	7	0.1%		0.0%	133	0%
<b>COMPLIANT</b>	<b>30,192</b>	<b>82.1%</b>	<b>1,788</b>	<b>27.2%</b>	<b>114</b>	<b>73.1%</b>	<b>32,094</b>	<b>73.8%</b>
DRUG TAX BALANCE	10	0.0%		0.0%		0.0%	10	0%
NON-FILED	4,436	12.1%	4,509	68.7%	35	22.4%	8,980	21%
NON-FILED & BALANCE	498	1.4%	117	1.8%	1	0.6%	616	1%
OUTSTANDING BALANCE	1,363	3.7%	105	1.6%	4	2.6%	1,472	3%
<b>NON-COMPLIANT</b>	<b>6,307</b>	<b>17.1%</b>	<b>4,731</b>	<b>72.1%</b>	<b>40</b>	<b>25.6%</b>	<b>11,078</b>	<b>25.5%</b>
WORKLISTED	289	0.8%	47	0.7%	2	1.3%	338	1%
<b>PENDING</b>	<b>289</b>	<b>0.8%</b>	<b>47</b>	<b>0.7%</b>	<b>2</b>	<b>1.3%</b>	<b>338</b>	<b>0.8%</b>
<b>TOTAL</b>	<b><u>36,788</u></b>		<b><u>6,566</u></b>		<b><u>156</u></b>		<b><u>43,510</u></b>	

**Agency Code and Name: 488 Board of Optometry Examiners**

APPROVED	318	69.6%	19	17.4%	5	45.5%	342	59%
<b>COMPLIANT</b>	<b>318</b>	<b>69.6%</b>	<b>19</b>	<b>17.4%</b>	<b>5</b>	<b>45.5%</b>	<b>342</b>	<b>59.3%</b>
NON-FILED	79	17.3%	88	80.7%	5	45.5%	172	30%
NON-FILED & BALANCE	7	1.5%		0.0%		0.0%	7	1%
OUTSTANDING BALANCE	13	2.8%		0.0%		0.0%	13	2%
<b>NON-COMPLIANT</b>	<b>99</b>	<b>21.7%</b>	<b>88</b>	<b>80.7%</b>	<b>5</b>	<b>45.5%</b>	<b>192</b>	<b>33.3%</b>
WORKLISTED	40	8.8%	2	1.8%	1	9.1%	43	7%
<b>PENDING</b>	<b>40</b>	<b>8.8%</b>	<b>2</b>	<b>1.8%</b>	<b>1</b>	<b>9.1%</b>	<b>43</b>	<b>7.5%</b>
<b>TOTAL</b>	<b><u>457</u></b>		<b><u>109</u></b>		<b><u>11</u></b>		<b><u>577</u></b>	

\* Licensee residence determined by licensing agency.

\*\* Accountancy tax clearances ran several times. Additional results at report's end.

**- Confidential Statistical Information - For Informational Purposes Only -  
Tax Clearance Research Results**

3-8

**Agency Code and Name: 105 Kansas Board of Healing Arts**

Tax Status	Kansas Residents		Other State Residents		Residency Not Provided		All Locations	
APPROVED	9,343	71.6%	1,116	22.0%	5	11.9%	10,464	58%
BANKRUPTCY	18	0.1%	2	0.0%		0.0%	20	0%
<b>COMPLIANT</b>	<b>9,361</b>	<b>71.8%</b>	<b>1,118</b>	<b>22.0%</b>	<b>5</b>	<b>11.9%</b>	<b>10,484</b>	<b>57.7%</b>
NON-FILED	2,663	20.4%	3,638	71.7%	36	85.7%	6,337	35%
NON-FILED & BALANCE	114	0.9%	24	0.5%		0.0%	138	1%
OUTSTANDING BALANCE	313	2.4%	32	0.6%		0.0%	345	2%
<b>NON-COMPLIANT</b>	<b>3,090</b>	<b>23.7%</b>	<b>3,694</b>	<b>72.8%</b>	<b>36</b>	<b>85.7%</b>	<b>6,820</b>	<b>37.6%</b>
WORKLISTED	594	4.6%	260	5.1%	1	2.4%	855	5%
<b>PENDING</b>	<b>594</b>	<b>4.6%</b>	<b>260</b>	<b>5.1%</b>	<b>1</b>	<b>2.4%</b>	<b>855</b>	<b>4.7%</b>
<b>TOTAL</b>	<b><u>13,045</u></b>		<b><u>5,072</u></b>		<b><u>42</u></b>		<b><u>18,159</u></b>	

**Agency Code and Name: 549 Real Estate Commission**

APPROVED	76	86.4%		0.0%	10,111	65.2%	10,187	65.3%
BANKRUPTCY		0.0%		0.0%	43	0.3%	43	0.3%
<b>COMPLIANT</b>	<b>76</b>	<b>86.4%</b>	<b>-</b>	<b>0.0%</b>	<b>10,154</b>	<b>65.5%</b>	<b>10,230</b>	<b>65.6%</b>
DRUG TAX BALANCE		0.0%		0.0%		0.0%	-	0.0%
NON-FILED	6	6.8%	4	100.0%	4,166	26.9%	4,176	26.8%
NON-FILED & BALANCE	3	3.4%		0.0%	196	1.3%	199	1.3%
OUTSTANDING BALANCE	2	2.3%		0.0%	545	3.5%	547	3.5%
<b>NON-COMPLIANT</b>	<b>11</b>	<b>12.5%</b>	<b>4</b>	<b>100.0%</b>	<b>4,907</b>	<b>31.6%</b>	<b>4,922</b>	<b>31.5%</b>
WORKLISTED	1	1.1%		0.0%	451	2.9%	452	2.9%
<b>PENDING</b>	<b>1</b>	<b>1.1%</b>	<b>-</b>	<b>0.0%</b>	<b>451</b>	<b>2.9%</b>	<b>452</b>	<b>2.9%</b>
<b>TOTAL</b>	<b><u>88</u></b>		<b><u>4</u></b>		<b><u>15,512</u></b>		<b><u>15,604</u></b>	

\* Licensee residence determined by licensing agency.

\*\* Accountancy tax clearances ran several times. Additional results at report's end.

**- Confidential Statistical Information - For Informational Purposes Only -  
Tax Clearance Research Results**

3-9

**Agency Code and Name: 204 Kansas State Board of Mortuary Arts**

Tax Status	Kansas Residents		Other State Residents		Residency Not Provided		All Locations	
APPROVED	779	81.7%	33	20.0%	3	75.0%	815	72.6%
BANKRUPTCY	3	0.3%		0.0%		0.0%	3	0.3%
<b>COMPLIANT</b>	<b>782</b>	<b>82.1%</b>	<b>33</b>	<b>20.0%</b>	<b>3</b>	<b>75.0%</b>	<b>818</b>	<b>72.9%</b>
NON-FILED	112	11.8%	128	77.6%	1	25.0%	241	21.5%
NON-FILED & BALANCE	14	1.5%	1	0.6%		0.0%	15	1.3%
OUTSTANDING BALANCE	26	2.7%	2	1.2%		0.0%	28	2.5%
<b>NON-COMPLIANT</b>	<b>152</b>	<b>15.9%</b>	<b>131</b>	<b>79.4%</b>	<b>1</b>	<b>25.0%</b>	<b>284</b>	<b>25.3%</b>
WORKLISTED	19	2.0%	1	0.6%		0.0%	20	1.8%
<b>PENDING</b>	<b>19</b>	<b>2.0%</b>	<b>1</b>	<b>0.6%</b>	<b>-</b>	<b>0.0%</b>	<b>20</b>	<b>1.8%</b>
<b>TOTAL</b>	<b><u>953</u></b>		<b><u>165</u></b>		<b><u>4</u></b>		<b><u>1,122</u></b>	

**Agency Code and Name: 531 Kansas State Board of Pharmacy**

APPROVED	2,125	85.9%	203	18.2%	2	50.0%	2,330	64.8%
<b>COMPLIANT</b>	<b>2,125</b>	<b>85.9%</b>	<b>203</b>	<b>18.2%</b>	<b>2</b>	<b>50.0%</b>	<b>2,330</b>	<b>64.8%</b>
NON-FILED	250	10.1%	887	79.4%	2	50.0%	1,139	31.7%
NON-FILED & BALANCE	6	0.2%	3	0.3%		0.0%	9	0.3%
OUTSTANDING BALANCE	34	1.4%	5	0.4%		0.0%	39	1.1%
<b>NON-COMPLIANT</b>	<b>290</b>	<b>11.7%</b>	<b>895</b>	<b>80.1%</b>	<b>2</b>	<b>50.0%</b>	<b>1,187</b>	<b>33.0%</b>
WORKLISTED	60	2.4%	19	1.7%		0.0%	79	2.2%
<b>PENDING</b>	<b>60</b>	<b>2.4%</b>	<b>19</b>	<b>1.7%</b>	<b>-</b>	<b>0.0%</b>	<b>79</b>	<b>2.2%</b>
<b>TOTAL</b>	<b><u>2,475</u></b>		<b><u>1,117</u></b>		<b><u>4</u></b>		<b><u>3,596</u></b>	

\* Licensee residence determined by licensing agency.  
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**- Confidential Statistical Information - For Informational Purposes Only -  
Tax Clearance Research Results**

3-10

**Agency Code and Name: 102 Behavioral Sciences Reg. Board**

Tax Status	Kansas Residents		Other State Residents		Residency Not Provided		All Locations	
APPROVED	5,400	83.2%	358	33.4%	2	22.2%	5,760	76.1%
BANKRUPTCY	18	0.3%	1	0.1%		0.0%	19	0.3%
<b>COMPLIANT</b>	<b>5,418</b>	<b>83.5%</b>	<b>359</b>	<b>33.5%</b>	<b>2</b>	<b>22.2%</b>	<b>5,779</b>	<b>76.4%</b>
NON-FILED	783	12.1%	676	63.1%	7	77.8%	1,466	19.4%
NON-FILED & BALANCE	44	0.7%	15	1.4%		0.0%	59	0.8%
OUTSTANDING BALANCE	208	3.2%	12	1.1%		0.0%	220	2.9%
<b>NON-COMPLIANT</b>	<b>1,035</b>	<b>16.0%</b>	<b>703</b>	<b>65.6%</b>	<b>7</b>	<b>77.8%</b>	<b>1,745</b>	<b>23.1%</b>
WORKLISTED	36	0.6%	9	0.8%		0.0%	45	0.6%
<b>PENDING</b>	<b>36</b>	<b>0.6%</b>	<b>9</b>	<b>0.8%</b>	<b>-</b>	<b>0.0%</b>	<b>45</b>	<b>0.6%</b>
<b>TOTAL</b>	<b><u>6,489</u></b>		<b><u>1,071</u></b>		<b><u>9</u></b>		<b><u>7,569</u></b>	

**Agency Code and Name: 100 Board of Barber Examiners**

APPROVED	178	47.7%	12	12.8%	-	0.0%	190	1.2%
BANKRUPTCY	1	0.3%	-	0.0%	-	0.0%	1	0.0%
<b>COMPLIANT</b>	<b>179</b>	<b>48.0%</b>	<b>12</b>	<b>12.8%</b>	<b>-</b>	<b>0.0%</b>	<b>191</b>	<b>40.9%</b>
DRUG TAX BALANCE	2	0.5%	-	0.0%	-	0.0%	2	0.0%
NON-FILED	165	44.2%	82	87.2%	-	0.0%	247	1.6%
NON-FILED & BALANCE	15	17.0%	-	0.0%	-	0.0%	15	0.1%
OUTSTANDING BALANCE	12	3.2%	-	0.0%	-	0.0%	12	0.1%
<b>NON-COMPLIANT</b>	<b>194</b>	<b>52.0%</b>	<b>82</b>	<b>87.2%</b>	<b>-</b>	<b>0.0%</b>	<b>276</b>	<b>59.1%</b>
WORKLISTED	-	0.0%	-	0.0%	-	0.0%	-	0.0%
<b>PENDING</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>0.0%</b>
<b>TOTAL</b>	<b><u>373</u></b>		<b><u>94</u></b>		<b><u>-</u></b>		<b><u>467</u></b>	

\* Licensee residence determined by licensing agency.

\*\* Accountancy tax clearances ran several times. Additional results at report's end.

3-11

**Report Summary** Sum of Agency Observations

Tax Status	Kansas Residents		Other State Residents		Residency Not Provided		All Locations	
APPROVED	66,301	79.8%	4,729	26.1%	18,081	68.7%	89,111	69.9%
BANKRUPTCY	205	0.2%	15	0.1%	23	0.1%	243	0.2%
<b>COMPLIANT</b>	<b>66,506</b>	<b>80.1%</b>	<b>4,744</b>	<b>26.1%</b>	<b>18,104</b>	<b>68.8%</b>	<b>89,354</b>	<b>70.1%</b>
DRUG TAX BALANCE	19	0.0%	2	0.0%	1	0.0%	22	0.0%
NON-FILED	11,717	14.1%	12,601	69.4%	5,911	22.5%	30,229	23.7%
NON-FILED & BALANCE	962	1.2%	211	1.2%	327	1.2%	1,500	1.2%
OUTSTANDING BALANCE	2,439	2.9%	181	1.0%	1,295	4.9%	3,915	3.1%
<b>NON-COMPLIANT</b>	<b>15,137</b>	<b>18.2%</b>	<b>12,995</b>	<b>71.6%</b>	<b>7,534</b>	<b>28.6%</b>	<b>35,666</b>	<b>28.0%</b>
WORKLISTED	1,398	1.7%	408	2.2%	663	2.5%	2,469	1.9%
<b>PENDING</b>	<b>1,398</b>	<b>1.7%</b>	<b>408</b>	<b>2.2%</b>	<b>663</b>	<b>2.5%</b>	<b>2,469</b>	<b>1.9%</b>
<b>TOTAL</b>	<b><u>83,041</u></b>		<b><u>18,147</u></b>		<b><u>26,301</u></b>		<b><u>127,489</u></b>	

\* Licensee residence determined by licensing agency.  
\*\* Accountancy tax clearances ran several times. Additional results at report's end.