

SESSION OF 2003

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2083

As Amended by House Committee on
Tourism and Parks

Brief*

HB 2083 would establish the Kansas Tourism Advertising Fund (KTAF). The KTAF would be used to finance the advertisement of Kansas tourism opportunities to potential tourists within and outside Kansas. The bill provides a mechanism for revenues to be transferred from the State General Fund to the KTAF. The Secretary of Revenue would determine the total amount of state sales tax paid by certain classifications of businesses, such as hotels, restaurants, and parks, for calendar years 2002 and 2003. This data would be used to determine the amount by which tax revenues increased between the two years. Beginning July 1, 2004, 50.0 percent of the increase in excess of 3.0 percent over the previous years (up to a maximum of \$1.0 million) would be transferred each year from the State General Fund to the KTAF.

The House Committee amended the bill to:

- ! Remove references to "income tax" and limit the application of the bill to sales tax revenues only;
- ! Change references from "taxable year" to "calendar year";
- ! Change references from "Standard Industry Classification" (SIC) codes to "North American Industry Classification System" (NAICS) codes;
- ! Cap the transfer at a maximum of \$1.0 million per year; and

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org/klrd>

! Set implementation of the bill one year earlier than in the original bill.

Background

Representatives of the Travel Industry Association of Kansas and the Kansas Restaurant and Hospitality Association testified in support of the bill. There were no opponents.

The fiscal note on the original bill is not relevant to the amended version of the bill.