

SESSION OF 2004

SUPPLEMENTAL NOTE ON SENATE BILL NO. 413

As Recommended by Senate Committee on
Assessment and Taxation

Brief*

SB 413 would, as of January 1, 2005, require organizations with entity-based sales tax exemptions to apply for identification numbers from the Department of Revenue which would subsequently be required to be shown on exemption certificates presented to retailers.

Background

The bill was requested for introduction and supported by the Department of Revenue. Secretary Wagnon noted that the bill would help reduce the burden on retailers to police the legitimacy of sales tax exemption claims; and that at least five other states require identification numbers to present on exemption claim forms.

A fiscal note indicated that the additional 120 hours of in-house programming time necessary to implement the bill's provisions would be absorbed with the Department's current budget.

*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>