

SENATE BILL No. 303

By Committee on Federal and State Affairs

Proposed Amendments to
Senate Bill No. 303
Senate Committee on Federal and
State Affairs
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1 ANACT concerning legal tender; establishing the Kansas legal tender act;
2 reaffirmation of gold and silver coin as legal tender; providing an
3 income taxation subtraction modification for gains from the sale of
4 specie; amending K.S.A. 2022 Supp. 79-32,117 and repealing the
5 existing section.
6

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

8 New Section 1. Sections 1 through 6, and amendments thereto, shall
9 be known and may be cited as the Kansas legal tender act.

10 New Sec. 2. As used in the Kansas legal tender act:

11 (a) "Legal tender" means a recognized medium of exchange for the
12 payment of debts and taxes; and

13 (b) "specie" means: (1) Coin having gold or silver content; or (2)
14 refined gold or silver bullion that is coined, stamped or imprinted with its
15 weight and purity and valued primarily based on its metal content and not
16 its form.

17 New Sec. 3. Specie legal tender in Kansas consists of:

18 (a) Specie coin issued by the United States government at any time;

19 or

20 (b) any other specie that a court of competent jurisdiction, by final
21 and unappealable order, rules to be within state authority to make or
22 designate as legal tender.

23 New Sec. 4. (a) No specie or legal tender shall be characterized as
24 personal property for taxation or regulatory purposes.

25 (b) The exchange of one type or form of legal tender for another type
26 or form of legal tender shall not give rise to any tax liability of any kind.

27 (c) The purchase, sale or exchange of any type or form of specie shall
28 not give rise to any tax liability of any kind.

29 New Sec. 5. Unless expressly provided by statute or by contract, no
30 person shall have the right to compel any other person to tender specie or
31 to accept specie as tender.

32 New Sec. 6. (a) The attorney general shall enforce this act without
33 prejudice to any private right of action.

34 (b) Kansas courts shall require specific performance as a remedy for
35 breach of any contract designating a type or form of specie as tender.

36 Sec. 7. K.S.A. 2022 Supp. 79-32,117 is hereby amended to read as

(d) The provisions of this section shall not apply to taxable distributions from any retirement plan account that holds specie.

1 couple filing a joint return; or (2) amounts received as income earned from
2 assets in a first-time home buyer savings account.

3 (xxix) For taxable years commencing after December 31, 2022, the
4 amount of any net gain from the sale of specie, as defined in section 2, and
5 amendments thereto.

6 (d) There shall be added to or subtracted from federal adjusted gross
7 income the taxpayer's share, as beneficiary of an estate or trust, of the
8 Kansas fiduciary adjustment determined under K.S.A. 79-32,135, and
9 amendments thereto.

10 (e) The amount of modifications required to be made under this
11 section by a partner which relates to items of income, gain, loss, deduction
12 or credit of a partnership shall be determined under K.S.A. 79-32,131, and
13 amendments thereto, to the extent that such items affect federal adjusted
14 gross income of the partner.

15 ~~(f) No taxpayer shall be assessed penalties and interest from the~~
16 ~~underpayment of taxes due to changes to this section that became law on~~
17 ~~July 1, 2017, so long as such underpayment is rectified on or before April~~
18 ~~17, 2018.~~

19 Sec. 8. K.S.A. 2022 Supp. 79-32,117 is hereby repealed.

20 Sec. 9. This act shall take effect and be in force from and after its
21 publication in the statute book.

, except the sale of specie as a taxable distribution from any
retirement plan account that holds specie