

## HOUSE BILL No. 2161

By Committee on Taxation

2-4

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1 AN ACT concerning sales taxation; relating to situs of taxable  
2 transactions; amending K.S.A. 2010 Supp. 12-191 and repealing the  
3 existing section.  
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5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2010 Supp. 12-191 is hereby amended to read as  
7 follows: 12-191. All retail transactions consummated within a county or  
8 city having a retail sales tax, which transactions are subject to the Kansas  
9 retailers' sales tax, shall also be subject to such county or city retail sales  
10 tax. Except as hereinafter provided, *a retailer may choose that* all retail  
11 sales, for the purpose of this act, shall be considered to have been  
12 consummated at the *place of business of the retailer and sourced to such*  
13 *location, or at the* location determined by the sourcing rules as provided  
14 in K.S.A. 2010 Supp. 79-3670, and amendments thereto. The retail sales  
15 or transfer of watercraft, modular homes, manufactured homes or mobile  
16 homes, shall be considered consummated at the place of business of the  
17 retailer and sourced to such location. The retail sale, excluding the lease  
18 or rental, of motor vehicles, trailers, semi-trailers or aircraft that do not  
19 qualify as transportation equipment, as defined in subsection (d) of  
20 K.S.A. 2010 Supp. 79-3670, and amendments thereto, shall be considered  
21 consummated at the place of business of the retailer and sourced to such  
22 location. The isolated or occasional sale of any motor vehicle or trailer  
23 shall be considered consummated at the taxing jurisdiction where the sale  
24 is made. If the sale negotiations occurred in different cities or counties,  
25 the situs of the sale for local sales tax purposes shall be the place where  
26 the motor vehicle or trailer was kept at the time negotiations were first  
27 entered into. In the event the place of business of a retailer is doubtful the  
28 place or places at which the retail sales are consummated for the purposes  
29 of this act shall be determined under rules and regulations adopted by the  
30 secretary of revenue which rules and regulations shall be considered with  
31 state and federal law insofar as applicable. The director of taxation is  
32 hereby authorized to request and receive from any retailer or from any  
33 city or county levying the tax such information as may be reasonably  
34 necessary to determine the liability of retailers for any county or city sales  
35 tax. The collection of any sales tax of a county or city approved at any  
36 election shall commence on the first day of the calendar quarter next

1 following the 90th day after the date that the city or county has provided  
2 written notice to the director of taxation of the election authorizing the  
3 levy of such tax. The collection of any such sales tax applicable to printed  
4 catalog purchases wherein the purchaser computed the tax based upon  
5 local tax rates published in the catalog, shall not commence until the first  
6 day of the calendar quarter next following the 150th day after the date  
7 that the city or county has provided written notice to the director of  
8 taxation of the election authorizing the levy of such tax. The director of  
9 taxation shall provide notice to sellers of such taxes within 30 days after  
10 receiving such notice from the city or county.

11 A city retailers' sales tax shall not become effective within any area  
12 annexed by a city levying such tax until the first day of the calendar  
13 quarter next following the 90th day after the date that the governing body  
14 of such city provided the state department of revenue with a certified  
15 copy of the annexation ordinance and a map of the city detailing the  
16 annexed area. The director of taxation shall provide notice to sellers of  
17 such tax within 30 days after receiving such notice from the city or  
18 county.

19 Whenever any sales tax, imposed by any city or county under the  
20 provisions of this act, shall become effective, at any time prior to the time  
21 that revenue derived therefrom may be budgeted for expenditure in such  
22 year, such revenue shall be credited to the funds of the taxing subdivision  
23 or subdivisions and shall be carried forward to the credit of such funds for  
24 the ensuing budget year in the manner provided for carrying forward  
25 balances remaining in such funds at the end of a budget year.

26 Sec. 2. K.S.A. 2010 Supp. 12-191 is hereby repealed.

27 Sec. 3. This act shall take effect and be in force from and after its  
28 publication in the statute book.

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