

Substitute for HOUSE BILL No. 2262

By Committee on Appropriations

3-19

1 AN ACT concerning the oil and gas valuation depletion trust fund; relating
2 to amount credited to such fund; amending K.S.A. 2012 Supp. 79-4227
3 and repealing the existing section.
4

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

6 Section 1. K.S.A. 2012 Supp. 79-4227 is hereby amended to read as
7 follows: 79-4227. (a) All revenue collected or received by the director
8 from the tax imposed by this act shall be remitted to the state treasurer in
9 accordance with the provisions of K.S.A. 75-4215, and amendments
10 thereto. Upon receipt of each such remittance, the state treasurer shall
11 deposit the entire amount in the state treasury. The state treasurer shall first
12 credit such amount as the director shall order to the mineral production tax
13 refund fund created under subsection (b) of this section. Except as
14 otherwise provided by this section, the state treasurer shall credit the
15 remainder of such amounts as follows: (1) Seven percent to the special
16 county mineral production tax fund created under subsection (c) of this
17 section; and (2) the remainder shall be credited to the state general fund.
18 On and after July 1, 2012, and thereafter, ~~except as otherwise provided by~~
19 ~~this section~~, the state treasurer shall credit the remainder of such amounts
20 for oil and gas for any county which had \$100,000 or more in receipts of
21 the excise tax upon the severance and production of oil and gas as follows:
22 (1) Seven percent to the special county mineral production tax fund
23 created under subsection (c); (2) ~~12.41%~~ 8.25% to the oil and gas
24 valuation depletion trust fund; and (3) the remainder shall be credited to
25 the state general fund. ~~During fiscal year 2013, the state treasurer shall~~
26 ~~credit the remainder of such amounts as follows: (1) As otherwise~~
27 ~~provided in this section; and (2) on the 15th day of each month, the state~~
28 ~~treasurer shall determine the amount of revenue collected or received by~~
29 ~~the director from the tax imposed by this act during the preceding month~~
30 ~~which exceeds the consensus revenue estimate for such preceding month.~~
31 ~~If such amount of revenue collected or received for such preceding month~~
32 ~~is greater than the estimated amount of revenue for such preceding month,~~
33 ~~then the state treasurer shall credit 14.63% of the difference between the~~
34 ~~actual amount collected or received and the estimated amount of revenue~~
35 ~~to the incentive for technical education fund, and 85.37% of the difference~~
36 ~~between the actual amount collected or received and the estimated amount~~

1 of revenue to the tuition for technical education fund. During fiscal year
2 2013, the amount credited to the incentive for technical education fund
3 shall not exceed \$1,500,000, and the amount credited to the tuition for
4 technical education fund shall not exceed \$8,750,000. The incentive for
5 technical education fund and the tuition for technical education fund are
6 hereby created in the state treasury.

7 (b) A refund fund designated as "mineral production tax refund fund"
8 not to exceed \$50,000 is hereby created for the prompt payment of all tax
9 refunds. The mineral production tax refund fund shall be in such amount,
10 within the limit set by this section, as the director shall determine is
11 necessary to meet current refunding requirements under this act.

12 (c) There is hereby created a special county mineral production tax
13 fund. On December 1, 1983, and quarterly thereafter, the director of
14 taxation shall distribute all moneys credited to such fund to the county
15 treasurers of all counties in which taxes were levied under K.S.A. 79-4217,
16 and amendments thereto, for the severing and producing of coal, oil or gas
17 from property within the county, in the proportion that the taxes levied
18 upon production in each county bears to the total of all of such taxes levied
19 in all of such counties. Such distribution shall be based on returns filed,
20 with any adjustments or corrections thereto made by the director of
21 taxation.

22 (d) The secretary of revenue shall make provision for the
23 determination of the counties within which taxes are levied under K.S.A.
24 79-4217, and amendments thereto, for the severance of coal, oil or gas and
25 shall certify the same to the director of accounts and reports.

26 (e) The director of accounts and reports shall draw warrants on the
27 state treasurer payable to the county treasurer of each county entitled to
28 payment from the special county mineral production tax fund upon
29 vouchers approved by the director of taxation. Upon receipt of such
30 warrant, each county treasurer shall credit 50% of the amount thereof to
31 the county general fund and shall distribute the remaining 50% thereof to
32 the treasurer of each school district all or any portion of which is located
33 within the county in the proportion that the assessed value of coal, oil and
34 gas properties within each district bears to the total of the assessed value of
35 all coal, oil and gas properties within the county. Such assessed valuation
36 shall be determined upon the basis of the most recent November 1 tax roll.
37 The treasurer of each school district shall credit the entire amount of the
38 moneys so received to the general fund of the school district.

39 Sec. 2. K.S.A. 2012 Supp. 79-4227 is hereby repealed.

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