

SENATE BILL No. 101

By Committee on Commerce

1-30

1 AN ACT concerning motor-vehicle fuels; relating to retail pump labeling
2 requirements; amending K.S.A. 2012 Supp. 79-3408 and repealing the
3 existing section.
4

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

6 Section 1. K.S.A. 2012 Supp. 79-3408 is hereby amended to read as
7 follows: 79-3408. (a) A tax per gallon or fraction thereof, at the rate
8 computed as prescribed in K.S.A. 79-34,141, and amendments thereto, is
9 hereby imposed on the use, sale or delivery of all motor-vehicle fuels or
10 special fuels which are used, sold or delivered in this state for any purpose
11 whatsoever.

12 (b) *Every retail pump for motor-vehicle fuels shall be conspicuously*
13 *labeled to show the content and percentage of any ethyl alcohol or other*
14 *alcohol combined or alone in excess of 1% by volume.*

15 (c) Unless otherwise specified in K.S.A. 79-3408c, and amendments
16 thereto, the incidence of this tax is imposed on the distributor of the first
17 receipt of the motor fuel and such taxes shall be paid but once. Such tax
18 shall be computed on all motor-vehicle fuels or special fuels received by
19 each distributor, manufacturer or importer in this state or imported by any
20 distributor, manufacturer or importer into this state and paid in the manner
21 provided for herein, except that an allowance of 2.5% shall be made and
22 deducted by the distributor to cover all ordinary losses which may have
23 resulted from physical loss while handling such motor-vehicle fuels or
24 special fuels. No such allowance shall be made on any motor-vehicle fuel
25 or special fuel exported from the state or sold to the United States of
26 America or any of its agencies or instrumentalities as are now or
27 hereinafter exempt by law from liability to state taxation. No such
28 allowance shall be made for any motor-vehicle fuel or special fuel sold or
29 disposed of to a consumer in tank car, transport or pipeline lots. As used in
30 this subsection, the term "distributor of the first receipt" shall include
31 distributors, manufacturers and importers that import motor-vehicle fuels
32 or special fuels into Kansas.

33 (e) (d) No tax is hereby imposed upon or with respect to the
34 following transactions:

35 (1) The sale or delivery of motor-vehicle fuel or special fuel for
36 export from the state of Kansas to any other state or territory or to any

1 foreign country.

2 (2) The sale or delivery of motor-vehicle fuel or special fuel to the
3 United States of America and such of its agencies as are now or hereafter
4 exempt by law from liability to state taxation.

5 (3) The sale or delivery of motor-vehicle fuel or special fuel to a
6 contractor for use in performing work for the United States or those
7 agencies of the United States above mentioned, provided such contractor
8 has in effect with the United States or any such agency a cost-plus-a-fixed-
9 fee contract covering the work.

10 (4) The sale or delivery of motor-vehicle fuel or special fuel which is
11 aviation fuel.

12 (5) The first sale or delivery of motor-vehicle fuel or special fuel
13 from a refinery, pipeline terminal, pipeline tank farm or other place to a
14 duly licensed distributor who in turn resells to another duly licensed
15 distributor.

16 (6) The sale or delivery of special fuel which is indelibly dyed in
17 accordance with regulations prescribed pursuant to 26 U.S.C. § 4082 and
18 such special fuel is only used for nonhighway purposes.

19 (7) The sale of kerosene used as a fuel only to power antique steam
20 motor vehicles first manufactured prior to 1940.

21 ~~(d)~~ (e) Each distributor, manufacturer, importer, exporter or retailer
22 shall make full reports and furnish such further information as the director
23 may require with reference to all transactions upon which no tax is to be
24 paid.

25 Sec. 2. K.S.A. 2012 Supp. 79-3408 is hereby repealed.

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