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Session of 2016

HOUSE BILL No. 2498

By Committee on Taxation

1-20

Ballon Amendment HB 2498
House Committee on Taxation
Cap at \$200,000
Prepared by Scott Wells
Office of Revisor of Statutes

1 AN ACT concerning sales taxation; relating to the community
2 improvement district sales tax administration fund; amending K.S.A.
3 2015 Supp. 12-6a31 and repealing the existing section.
4

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

6 Section 1. K.S.A. 2015 Supp. 12-6a31 is hereby amended to read as
7 follows: 12-6a31. (a) In addition to and notwithstanding any limitations on
8 the aggregate amount of the retailers' sales tax contained in K.S.A. 12-187
9 through 12-197, and amendments thereto, any municipality may impose a
10 community improvement district sales tax on the selling of tangible
11 personal property at retail or rendering or furnishing services taxable
12 pursuant to the provisions of the Kansas retailers' sales tax act, and
13 amendments thereto, within a community improvement district for
14 purposes of financing a project in such district in any increment of .10% or
15 .25% not to exceed 2% and pledging the revenue received therefrom to
16 pay the bonds issued for the project or to reimburse the cost of the project
17 pursuant to pay-as-you-go financing. In the event bonds are issued to
18 finance a project or refunding bonds issued therefore, the community
19 improvement district sales tax imposed pursuant to this section shall expire
20 no later than the date such bonds shall mature. In the event pay-as-you-go
21 financing is utilized, the community improvement district sales tax shall
22 expire 22 years from the date the state director of taxation begins
23 collecting such tax or when the project bonds or pay-as-you-go costs have
24 been paid. Except as otherwise provided by the provisions of K.S.A. 2015
25 Supp. 12-6a27 et seq., and amendments thereto, the tax authorized by this
26 section shall be administered, collected and subject to the provisions of
27 K.S.A. 12-187 through 12-197, inclusive, and amendments thereto.
28

29 (b) Upon receipt of a certified copy of the resolution or ordinance
30 authorizing the levy of the community improvement district sales tax
31 pursuant to this section, the state director of taxation shall cause such tax
32 to be collected in the district at the same time and in the same manner
33 provided for the collection of the state retailers' sales tax. All of the taxes
34 collected under the provisions of this act shall be remitted by the secretary
35 of revenue to the state treasurer in accordance with the provisions of
36 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such
remittance, the state treasurer shall deposit the entire amount in the state

1 treasury, and the state treasurer shall credit 2% of all taxes so collected to
2 the community improvement district sales tax administration fund, which
3 fund is hereby established in the state treasury, to defray the expenses of
4 the department of revenue in administration and enforcement of the
5 collection thereof. ~~The aggregate amount of moneys credited to the~~
6 ~~community improvement district sales tax administration fund shall not~~
7 ~~exceed \$60,000 in any state fiscal year. The remainder of such taxes shall~~
8 be credited to the community improvement district sales tax fund, which
9 fund is hereby established in the state treasury. All moneys in the
10 community improvement district sales tax fund shall be remitted at least
11 quarterly by the state treasurer, on instruction from the secretary of
12 revenue, to the treasurers of those municipalities which are qualified to
13 receive disbursements from such fund for the amount collected within
14 such municipality. Any refund due on any community improvement
15 district sales tax collected pursuant to this section shall be paid out of the
16 community improvement district sales tax refund fund which is hereby
17 established in the state treasury and reimbursed by the director of taxation
18 from collections of the community improvement district sales tax
19 authorized by this section. Community improvement district sales tax
20 received by a municipality pursuant to this section shall be deposited in the
21 community improvement district sales tax fund created pursuant to K.S.A.
22 2015 Supp. 12-6a34, and amendments thereto.

23 (c) Notwithstanding any other provisions of law to the contrary,
24 copies of all retailers' sales and use tax returns filed with the secretary of
25 revenue in connection with a district for which sales or use tax revenues,
26 or both, are pledged or otherwise intended to be used in whole or in part
27 for the payment of bonds issued to finance costs of a project, shall be
28 provided by the secretary of revenue to the bond trustee, escrow agent or
29 paying agent for such bonds upon a written request of the municipality
30 within 15 days of receipt by the secretary of revenue. The bond trustee,
31 escrow agent or paying agent shall keep such retailers' sales and use tax
32 returns and the information contained therein confidential, but may use
33 such information for purposes of allocating and depositing such sales and
34 use tax revenues in connection with the bonds used to finance costs of a
35 project. Except as otherwise provided herein, the sales and use tax returns
36 received by the bond trustee, escrow agent or paying agent shall be subject
37 to the provisions of K.S.A. 79-3614, and amendments thereto.

38 Sec. 2. K.S.A. 2015 Supp. 12-6a31 is hereby repealed.

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

The aggregate amount of moneys credited to the community
improvement district sales tax administration fund shall not exceed
\$200,000 in any state fiscal year.