

**SENATE BILL No. 233**

By Committee on Assessment and Taxation

2-11

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1 AN ACT concerning sales taxation; relating to returns and payment of tax  
2 by retailers; increasing sales tax collection thresholds for time to file  
3 returns and payment; amending K.S.A. 79-3607 and repealing the  
4 existing section.  
5

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

7 Section 1. K.S.A. 79-3607 is hereby amended to read as follows: 79-  
8 3607. (a) Retailers shall make returns to the director at the times  
9 prescribed by this section in the manner prescribed by the director,  
10 including electronic filing, upon forms or format prescribed by the director  
11 stating: (1) The name and address of the retailer; (2) the total amount of  
12 gross sales of all tangible personal property and taxable services rendered  
13 by the retailer during the period for which the return is made; (3) the total  
14 amount received during the period for which the return is made on charge  
15 and time sales of tangible personal property made and taxable services  
16 rendered prior to the period for which the return is made; (4) deductions  
17 allowed by law from such total amount of gross sales and from total  
18 amount received during the period for which the return is made on such  
19 charge and time sales; (5) receipts during the period for which the return is  
20 made from the total amount of sales of tangible personal property and  
21 taxable services rendered during such period in the course of such  
22 business, after deductions allowed by law have been made; (6) receipts  
23 during the period for which the return is made from charge and time sales  
24 of tangible personal property made and taxable services rendered prior to  
25 such period in the course of such business, after deductions allowed by law  
26 have been made; (7) gross receipts during the period for which the return  
27 is made from sales of tangible personal property and taxable services  
28 rendered in the course of such business upon the basis of which the tax is  
29 imposed. The return shall include such other pertinent information as the  
30 director may require. In making such return, the retailer shall determine  
31 the market value of any consideration, other than money, received in  
32 connection with the sale of any tangible personal property in the course of  
33 the business and shall include such value in the return. Such value shall be  
34 subject to review and revision by the director as hereinafter provided.  
35 Refunds made by the retailer during the period for which the return is  
36 made on account of tangible personal property returned to the retailer shall

1 be allowed as a deduction under paragraph (4) of this section in case the  
2 retailer has theretofore included the receipts from such sale in a return  
3 made by such retailer and paid taxes therein imposed by this act. The  
4 retailer shall, at the time of making such return, pay to the director the  
5 amount of tax herein imposed, except as otherwise provided in this  
6 section. The director may extend the time for making returns and paying  
7 the tax required by this act for any period not to exceed 60 days under such  
8 rules and regulations as the secretary of revenue may prescribe. When the  
9 total tax for which any retailer is liable under this act, does not exceed the  
10 sum of ~~\$400~~ \$15,000 in any calendar year, the retailer shall file an annual  
11 return on or before January 25 of the following year. When the total tax  
12 liability does not exceed ~~\$4,000~~ \$25,000 in any calendar year, the retailer  
13 shall file returns quarterly on or before the 25<sup>th</sup> day of the month following  
14 the end of each calendar quarter. When the total tax liability exceeds  
15 ~~\$4,000~~ \$25,000 in any calendar year, the retailer shall file a return for each  
16 month on or before the 25<sup>th</sup> day of the following month. When the total tax  
17 liability exceeds ~~\$40,000~~ \$50,000 in any calendar year, the retailer shall be  
18 required to pay the sales tax liability for the first 15 days of each month to  
19 the director on or before the 25<sup>th</sup> day of that month. Any such payment  
20 shall accompany the return filed for the preceding month. A retailer will be  
21 considered to have complied with the requirements to pay the first 15 days'  
22 liability for any month if, on or before the 25<sup>th</sup> day of that month, the  
23 retailer paid 90% of the liability for that fifteen-day period, or 50% of such  
24 retailer's liability in the immediate preceding calendar year for the same  
25 month as the month in which the fifteen-day period occurs computed at the  
26 rate applicable in the month in which the fifteen-day period occurs, and, in  
27 either case, paid any underpayment with the payment required on or before  
28 the 25<sup>th</sup> day of the following month. Such retailers shall pay their sales tax  
29 liabilities for the remainder of each such month at the time of filing the  
30 return for such month. Determinations of amounts of liability in a calendar  
31 year for purposes of determining filing requirements shall be made by the  
32 director upon the basis of amounts of liability by those retailers during the  
33 preceding calendar year or by estimates in cases of retailers having no  
34 previous sales tax histories. The director is hereby authorized to modify  
35 the filing schedule for any retailer when it is apparent that the original  
36 determination was inaccurate.

37 (b) All model 1, model 2 and model 3 sellers are required to file  
38 returns electronically. Any model 1, model 2 or model 3 seller may submit  
39 its sales and use tax returns in a simplified format approved by the  
40 director. Any seller that is registered under the agreement, which does not  
41 have a legal requirement to register in this state, and is not a model 1,  
42 model 2 or model 3 seller, may submit its sales and use tax returns as  
43 follows:

1 (1) Upon registration, the director shall provide to the seller the  
2 returns required;

3 (2) seller shall file a return anytime within one year of the month of  
4 initial registration, and future returns are required on an annual basis in  
5 succeeding years; and

6 (3) in addition to the returns required in subsection (b)(2), sellers are  
7 required to submit returns in the month following any month in which they  
8 have accumulated state and local sales tax funds for this state in the  
9 amount of \$1,600 or more.

10 Sec. 2. K.S.A. 79-3607 is hereby repealed.

11 Sec. 3. This act shall take effect and be in force from and after  
12 January 1, 2022, and its publication in the statute book.