

House Substitute for SENATE BILL No. 318

By Committee on Taxation

2-17

1 AN ACT concerning sales and compensating use tax; relating to
2 exemptions; providing an exemption for reconstructing, repairing or
3 replacing certain fencing damaged or destroyed by a wildfire, flood,
4 tornado or other natural disaster; amending K.S.A. 79-3606d and
5 repealing the existing section.

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

8 Section 1. K.S.A. 79-3606d is hereby amended to read as follows: 79-
9 3606d. (a) The following shall be exempt from the tax imposed by the
10 Kansas retailers' sales tax act: All sales of tangible personal property and
11 services purchased ~~during calendar years 2017 and 2018~~ *on and after*
12 *January 1, 2021*, necessary to reconstruct, repair or replace any fence that
13 was damaged or destroyed by ~~wildfires~~ *a wildfire, flood, tornado or other*
14 *natural disaster* occurring ~~during calendar years 2016 and 2017~~ *on and*
15 *after January 1, 2021*, and the purpose for which is to enclose land
16 devoted to agricultural use.

17 (b) *A taxpayer shall be eligible for the exemption pursuant to this*
18 *section if the affected property containing the damaged or destroyed*
19 *fencing is located within an area declared to be a disaster by the federal,*
20 *state or local government.*

21 (c) Sales tax paid on and after January 1, ~~2017~~ *2021*, upon the gross
22 receipts received from any such sale shall be refunded. Each claim for a
23 sales tax refund shall be verified and submitted to the director of taxation
24 upon forms furnished by the director and shall be accompanied by any
25 additional documentation required by the director. The director shall
26 review each claim and shall refund that amount of sales tax paid as
27 determined under the provisions of this section. All refunds shall be paid
28 from the sales tax refund fund upon warrants of the director of accounts
29 and reports pursuant to vouchers approved by the director or the director's
30 designee. Any person reconstructing, repairing or replacing such property,
31 or any person who shall contract for the reconstruction, repair or
32 replacement of any such property shall obtain from the state an exemption
33 certificate for the project involved. The certificate shall be furnished to the
34 person or contractor to purchase materials and lease machinery and
35 equipment for such project. The person or contractor shall furnish the
36 number of such certificate to all suppliers from whom such purchases are

1 made, and such suppliers shall execute invoices covering the same bearing
2 the number of such certificate. Upon completion of the project the
3 contractor shall furnish to the person that obtained the exemption
4 certificate, a sworn statement, on a form to be provided by the director of
5 taxation, that all purchases so made were entitled to exemption under this
6 subsection.

7 ~~(b)~~(d) *As used in this section, "wildfire" means a fire that spreads*
8 *rapidly over grassland, woodland or brush creating unwanted and*
9 *unplanned destruction.*

10 (e) The provisions of this section shall be ~~deemed to be a part of and~~
11 supplemental to the Kansas retailers' sales tax act.

12 Sec. 2. K.S.A. 79-3606d is hereby repealed.

13 Sec. 3. This act shall take effect and be in force from and after its
14 publication in the Kansas register.