

KANSAS OFFICE *of*  
**REVISOR *of* STATUTES**

LEGISLATURE *of* THE STATE *of* KANSAS  
*Legislative Attorneys transforming ideas into legislation.*

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**MEMORANDUM**

To: Members of the House Committee on Taxation

From: Adam Siebers, Assistant Revisor

Date: March 20, 2023

Subject: House Bill No. 2062

**Summary**

House Bill No. 2062 discontinues in Section 5 (K.S.A. 79-5117) the excise tax currently imposed on the rental or lease of vehicles for a period less than 28 days. Commencing July 1, 2023, this 3.5% excise tax on the gross receipts would no longer be imposed.

Pursuant to Section 4 (K.S.A. 79-5101), rental or leased motor vehicles owned by a car rental company and subject to the 3.5% excise tax imposed pursuant to K.S.A. 79-5117 are currently exempt from motor vehicle property taxes. Under the bill, the exemption for rental or leased motor vehicles owned by a car rental company and subject to the excise tax is removed. Thus, commencing July 1, 2023, these vehicles would be subject to property tax.