

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

300 SW TENTH AVENUE ■ SUITE 24-E ■ TOPEKA, KS 66612 ■ (785) 296-2321

MEMORANDUM

To: Madam Chairperson and Members of the Committee on Assessment and Taxation
From: Office of Revisor of Statutes
Date: February 1, 2023
Subject: Senate Bill No. 54

Summary

Senate Bill No. 54 relates to sales tax and would expand the eligible uses that qualify for the 0% state rate for sales of certain utilities and provide for the continued levy of city and countywide sales taxes on such sales. The new provisions would be applicable beginning July 1, 2024.

Currently, a 0% state sales tax rate applies to sales of gas, electricity and heat for noncommercial residential use and agricultural use, and those sales are subject to the local city and countywide sales taxes.

Section 2 amends K.S.A. 2022 Supp. 79-3603 to expand the 0% state rate to sales of gas, electricity and heat to any premises for commercial or noncommercial use by the occupant of the premises and continue to include agricultural use. The 0% state rate for sales of propane gas for agricultural use remains the same. The 0% state rate for sales of propane gas, LP-gas, coal, wood, and other fuel sources for heat or light would also be expanded to commercial and noncommercial use of an occupant of any premises.

Section 1 amends K.S.A. 12-189a to provide that the city and countywide retailers' sales tax would continue to be levied on such sales.

The bill would take effect from and after its publication in the statute book.