

SENATE BILL No. 175

By Committee on Public Health and Welfare

2-7

1 AN ACT concerning abortion; prohibiting abortion; creating the crimes of
2 unlawful performance of an abortion and unlawful destruction of a
3 fertilized embryo and establishing penalties therefor; restricting the use
4 of fetal tissue; relating to exclusions from sales and use tax exemptions
5 for certain abortion providers; amending K.S.A. 65-2401, 65-2837, 65-
6 6731, 65-6732, 65-67a01, 65-67a02, 65-67a04, 65-67a07, 76-3308 and
7 79-32,195 and K.S.A. 2022 Supp. 21-5301, 21-5302, 21-5303, 60-
8 1901, 60-1906, 79-32,182b, 79-32,261 and 79-3606 and repealing the
9 existing sections; also repealing K.S.A. 38-2003, 65-445, 65-4a01, 65-
10 4a02, 65-4a03, 65-4a04, 65-4a05, 65-4a06, 65-4a07, 65-4a08, 65-4a09,
11 65-4a10, 65-4a11, 65-4a12, 65-6701, 65-6702, 65-6703, 65-6704, 65-
12 6705, 65-6707, 65-6708, 65-6709, 65-6710, 65-6711, 65-6712, 65-
13 6714, 65-6715, 65-6721, 65-6722, 65-6723, 65-6724, 65-6725, 65-
14 6726, 65-6741, 65-6742, 65-6743, 65-6744, 65-6745, 65-6746, 65-
15 6747, 65-6748, 65-6749 and 65-67a09.

16

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

18 New Section 1. (a) The purposes of sections 1 through 4, and
19 amendments thereto, are:

20 (1) To follow the constitution of the United States, which requires
21 that "no state...shall deny to any person within its jurisdiction the equal
22 protection of the laws";

23 (2) to fulfill such constitutional and statutory requirements by
24 protecting the lives of unborn persons with the same criminal and civil
25 laws protecting the lives of born persons by repealing provisions that
26 permit willful prenatal murder or assault;

27 (3) to ensure that all persons potentially subject to such laws are
28 entitled to due process protections; and

29 (4) to abolish abortion in this state.

30 (b) Unless otherwise provided by law, the enforcement of the
31 provisions of sections 1 through 4, and amendments thereto, is subject to
32 the same presumptions, defenses, justifications, rules of criminal
33 procedure, immunities and clemencies as would apply where the victim is
34 a person who had been born alive.

35 New Sec. 2. Any federal statute, regulation, treaty, order or court
36 decision that purports to supersede, stay or overrule this act is in violation

1 of the constitution of the state of Kansas and the constitution of the United
2 States and is therefore void. The state of Kansas, any state agency or any
3 political subdivision of this state may, but shall not be required to, enter an
4 appearance, special or otherwise, in any federal suit challenging the
5 constitutionality of this act.

6 New Sec. 3. Pursuant to the powers granted to the legislature by
7 article 2, § 27 of the constitution of the state of Kansas, any judge of this
8 state who purports to enjoin, stay, overrule or void any provision of this act
9 shall be subject to impeachment and removal.

10 New Sec. 4. (a) Unlawful performance of an abortion is knowingly
11 performing an abortion, regardless of the gestational age of the unborn
12 child.

13 (b) Unlawful destruction of a fertilized embryo is the act of
14 performing an unlawful abortion as part of the process of artificial
15 insemination.

16 (c) (1) Unlawful performance of an abortion or attempt, conspiracy or
17 criminal solicitation to commit unlawful performance of an abortion is a
18 severity level 1, person felony.

19 (2) Unlawful destruction of a fertilized embryo or attempt, conspiracy
20 or criminal solicitation to commit unlawful destruction of a fertilized
21 embryo is a severity level 1, person felony.

22 (d) The provisions of K.S.A. 2022 Supp. 21-5301(c), and
23 amendments thereto, shall not apply to a violation of attempting to commit
24 the crime of unlawful performance of an abortion or unlawful destruction
25 of a fertilized embryo pursuant to this section. The provisions of K.S.A.
26 2022 Supp. 21-5302(d), and amendments thereto, shall not apply to a
27 violation of conspiracy to commit the crime of unlawful performance of an
28 abortion or unlawful destruction of a fertilized embryo pursuant to this
29 section. The provisions of K.S.A. 2022 Supp. 21-5303(d), and
30 amendments thereto, shall not apply to a violation of criminal solicitation
31 to commit the crime of unlawful performance of an abortion or unlawful
32 destruction of a fertilized embryo pursuant to this section.

33 (e) This section shall not apply to any surgical procedure performed
34 with the intent to:

35 (1) Save the life or preserve the health of an unborn child; or

36 (2) remove a dead, unborn child whose death was caused by
37 spontaneous miscarriage, stillbirth or ectopic pregnancy.

38 (f) As used in this section:

39 (1) "Abortion" means the act of using or prescribing an instrument,
40 drug, medicine or any other substance, device or means with the intent to
41 cause the death of an unborn child;

42 (2) "fertilization" means the fusion of a human spermatozoon with a
43 human ovum; and

1 (3) "unborn child" means a living human child from the moment of
2 fertilization in utero through pregnancy until birth, including the
3 developmental stages of human conceptus, zygote, morula, blastocyst,
4 embryo and fetus.

5 Sec. 5. K.S.A. 2022 Supp. 21-5301 is hereby amended to read as
6 follows: 21-5301. (a) An attempt is any overt act toward the perpetration
7 of a crime done by a person who intends to commit such crime but fails in
8 the perpetration thereof or is prevented or intercepted in executing such
9 crime.

10 (b) It shall not be a defense to a charge of attempt that the
11 circumstances under which the act was performed or the means employed
12 or the act itself were such that the commission of the crime was not
13 possible.

14 (c) (1) An attempt to commit an off-grid felony shall be ranked at
15 nondrug severity level 1. An attempt to commit any other nondrug felony
16 shall be ranked on the nondrug scale at two severity levels below the
17 appropriate level for the underlying or completed crime. The lowest
18 severity level for an attempt to commit a nondrug felony shall be a severity
19 level 10.

20 (2) The provisions of this subsection shall not apply to a violation of
21 attempting to commit the crime of:

22 (A) Aggravated human trafficking, as defined in K.S.A. 2022 Supp.
23 21-5426(b), and amendments thereto, if the offender is 18 years of age or
24 older and the victim is less than 14 years of age;

25 (B) terrorism, as defined in K.S.A. 2022 Supp. 21-5421, and
26 amendments thereto;

27 (C) illegal use of weapons of mass destruction, as defined in K.S.A.
28 2022 Supp. 21-5422, and amendments thereto;

29 (D) rape, as defined in K.S.A. 2022 Supp. 21-5503(a)(3), and
30 amendments thereto, if the offender is 18 years of age or older;

31 (E) aggravated indecent liberties with a child, as defined in K.S.A.
32 2022 Supp. 21-5506(b)(3), and amendments thereto, if the offender is 18
33 years of age or older;

34 (F) aggravated criminal sodomy, as defined in K.S.A. 2022 Supp. 21-
35 5504(b)(1) or (2), and amendments thereto, if the offender is 18 years of
36 age or older;

37 (G) commercial sexual exploitation of a child, as defined in K.S.A.
38 2022 Supp. 21-6422, and amendments thereto, if the offender is 18 years
39 of age or older and the victim is less than 14 years of age;

40 (H) sexual exploitation of a child, as defined in K.S.A. 2022 Supp.
41 21-5510(a)(1) or (4), and amendments thereto, if the offender is 18 years
42 of age or older and the child is less than 14 years of age;

43 (I) aggravated internet trading in child pornography, as defined in

1 K.S.A. 2022 Supp. 21-5514(b), and amendments thereto, if the offender is
2 18 years of age or older and the child is less than 14 years of age; ~~or~~

3 (J) capital murder, as defined in K.S.A. 2022 Supp. 21-5401, and
4 amendments thereto; *or*

5 (K) *unlawful performance of an abortion, as defined in section 4(a),*
6 *and amendments thereto, or unlawful destruction of a fertilized embryo, as*
7 *defined in section 4(b), and amendments thereto.*

8 (d) (1) An attempt to commit a felony which prescribes a sentence on
9 the drug grid shall reduce the prison term prescribed in the drug grid block
10 for an underlying or completed crime by six months.

11 (2) The provisions of this subsection shall not apply to a violation of
12 attempting to commit a violation of K.S.A. 2022 Supp. 21-5703, and
13 amendments thereto.

14 (e) An attempt to commit a class A person misdemeanor is a class B
15 person misdemeanor. An attempt to commit a class A nonperson
16 misdemeanor is a class B nonperson misdemeanor.

17 (f) An attempt to commit a class B or C misdemeanor is a class C
18 misdemeanor.

19 Sec. 6. K.S.A. 2022 Supp. 21-5302 is hereby amended to read as
20 follows: 21-5302. (a) A conspiracy is an agreement with another person to
21 commit a crime or to assist in committing a crime. No person may be
22 convicted of a conspiracy unless an overt act in furtherance of such
23 conspiracy is alleged and proved to have been committed by such person
24 or by a co-conspirator.

25 (b) It is immaterial to the criminal liability of a person charged with
26 conspiracy that any other person with whom the defendant conspired
27 lacked the actual intent to commit the underlying crime provided that the
28 defendant believed the other person did have the actual intent to commit
29 the underlying crime.

30 (c) It shall be a defense to a charge of conspiracy that the accused
31 voluntarily and in good faith withdrew from the conspiracy, and
32 communicated the fact of such withdrawal to one or more of the accused
33 person's co-conspirators, before any overt act in furtherance of the
34 conspiracy was committed by the accused or by a co-conspirator.

35 (d) (1) Conspiracy to commit an off-grid felony shall be ranked at
36 nondrug severity level 2. Conspiracy to commit any other nondrug felony
37 shall be ranked on the nondrug scale at two severity levels below the
38 appropriate level for the underlying or completed crime. The lowest
39 severity level for conspiracy to commit a nondrug felony shall be a
40 severity level 10.

41 (2) The provisions of this subsection shall not apply to a violation of
42 conspiracy to commit the crime of:

43 (A) Aggravated human trafficking, as defined in K.S.A. 2022 Supp.

1 21-5426(b), and amendments thereto, if the offender is 18 years of age or
2 older and the victim is less than 14 years of age;

3 (B) terrorism, as defined in K.S.A. 2022 Supp. 21-5421, and
4 amendments thereto;

5 (C) illegal use of weapons of mass destruction, as defined in K.S.A.
6 2022 Supp. 21-5422, and amendments thereto;

7 (D) rape, as defined in K.S.A. 2022 Supp. 21-5503(a)(3), and
8 amendments thereto, if the offender is 18 years of age or older;

9 (E) aggravated indecent liberties with a child, as defined in K.S.A.
10 2022 Supp. 21-5506(b)(3), and amendments thereto, if the offender is 18
11 years of age or older;

12 (F) aggravated criminal sodomy, as defined in K.S.A. 2022 Supp. 21-
13 5504(b)(1) or (2), and amendments thereto, if the offender is 18 years of
14 age or older;

15 (G) commercial sexual exploitation of a child, as defined in K.S.A.
16 2022 Supp. 21-6422, and amendments thereto, if the offender is 18 years
17 of age or older and the victim is less than 14 years of age;

18 (H) sexual exploitation of a child, as defined in K.S.A. 2022 Supp.
19 21-5510(a)(1) or (4), and amendments thereto, if the offender is 18 years
20 of age or older and the child is less than 14 years of age;

21 (I) aggravated internet trading in child pornography, as defined in
22 K.S.A. 2022 Supp. 21-5514(b), and amendments thereto, if the offender is
23 18 years of age or older and the child is less than 14 years of age;~~or~~

24 (J) violations of the Kansas racketeer influenced and corrupt
25 organization act, as described in K.S.A. 2022 Supp. 21-6329, and
26 amendments thereto; *or*

27 *(K) unlawful performance of an abortion, as defined in section 4(a),*
28 *and amendments thereto, or unlawful destruction of a fertilized embryo, as*
29 *defined in section 4(b), and amendments thereto.*

30 (e) Conspiracy to commit a felony which prescribes a sentence on the
31 drug grid shall reduce the prison term prescribed in the drug grid block for
32 an underlying or completed crime by six months.

33 (f) A conspiracy to commit a misdemeanor is a class C misdemeanor.

34 Sec. 7. K.S.A. 2022 Supp. 21-5303 is hereby amended to read as
35 follows: 21-5303. (a) Criminal solicitation is commanding, encouraging or
36 requesting another person to commit a felony, attempt to commit a felony
37 or aid and abet in the commission or attempted commission of a felony for
38 the purpose of promoting or facilitating the felony.

39 (b) It is immaterial under subsection (a) that the actor fails to
40 communicate with the person solicited to commit a felony if the person's
41 conduct was designed to effect a communication.

42 (c) It is an affirmative defense that the actor, after soliciting another
43 person to commit a felony, persuaded that person not to do so or otherwise

1 prevented the commission of the felony, under circumstances manifesting
2 a complete and voluntary renunciation of the actor's criminal purposes.

3 (d) (1) Criminal solicitation to commit an off-grid felony shall be
4 ranked at nondrug severity level 3. Criminal solicitation to commit any
5 other nondrug felony shall be ranked on the nondrug scale at three severity
6 levels below the appropriate level for the underlying or completed crime.
7 The lowest severity level for criminal solicitation to commit a nondrug
8 felony shall be a severity level 10.

9 (2) The provisions of this subsection shall not apply to a violation of
10 criminal solicitation to commit the crime of:

11 (A) Aggravated human trafficking, as defined in K.S.A. 2022 Supp.
12 21-5426(b), and amendments thereto, if the offender is 18 years of age or
13 older and the victim is less than 14 years of age;

14 (B) terrorism, as defined in K.S.A. 2022 Supp. 21-5421, and
15 amendments thereto;

16 (C) illegal use of weapons of mass destruction, as defined in K.S.A.
17 2022 Supp. 21-5422, and amendments thereto;

18 (D) rape, as defined in K.S.A. 2022 Supp. 21-5503(a)(3), and
19 amendments thereto, if the offender is 18 years of age or older;

20 (E) aggravated indecent liberties with a child, as defined in K.S.A.
21 2022 Supp. 21-5506(b)(3), and amendments thereto, if the offender is 18
22 years of age or older;

23 (F) aggravated criminal sodomy, as defined in K.S.A. 2022 Supp. 21-
24 5504(b)(1) or (2), and amendments thereto, if the offender is 18 years of
25 age or older;

26 (G) commercial sexual exploitation of a child, as defined in K.S.A.
27 2022 Supp. 21-6422, and amendments thereto, if the offender is 18 years
28 of age or older and the victim is less than 14 years of age;

29 (H) sexual exploitation of a child, as defined in K.S.A. 2022 Supp.
30 21-5510(a)(1) or (4), and amendments thereto, if the offender is 18 years
31 of age or older and the child is less than 14 years of age; ~~or~~

32 (I) aggravated internet trading in child pornography, as defined in
33 K.S.A. 2022 Supp. 21-5514(b), and amendments thereto, if the offender is
34 18 years of age or older and the child is less than 14 years of age; *or*

35 (J) *unlawful performance of an abortion, as defined in section 4(a),*
36 *and amendments thereto, or unlawful destruction of a fertilized embryo, as*
37 *defined in section 4(b), and amendments thereto.*

38 (e) Criminal solicitation to commit a felony which prescribes a
39 sentence on the drug grid shall reduce the prison term prescribed in the
40 drug grid block for an underlying or completed crime by six months.

41 Sec. 8. K.S.A. 2022 Supp. 60-1901 is hereby amended to read as
42 follows: 60-1901. (a) If the death of a person is caused by the wrongful act
43 or omission of another, an action may be maintained for the damages

1 resulting therefrom *and for punitive or exemplary damages* if the former
2 might have maintained the action had such person lived, in accordance
3 with the provisions of this article, against the wrongdoer, or such
4 wrongdoer's personal representative if such wrongdoer is deceased.

5 (b) As used in article 19 of chapter 60 of the Kansas Statutes
6 Annotated, and amendments thereto, the term "person" includes an unborn
7 child.

8 (c) As used in this section, the term "unborn child" means ~~a living~~
9 ~~individual organism of the species homo sapiens, in utero, at any stage of~~
10 ~~gestation from fertilization to birth~~ *the same as defined in section 4, and*
11 *amendments thereto.*

12 (d) The provisions of this section shall not apply to a wrongful death
13 action if the death is of an unborn child by means of:

14 ~~(1) Any act committed by the mother of the unborn child;~~

15 ~~(2) any lawful medical procedure performed by a physician or other~~
16 ~~licensed medical professional at the request of the pregnant woman or her~~
17 ~~legal guardian;~~

18 ~~(3) the lawful dispensation or administration of lawfully prescribed~~
19 ~~medication; or~~

20 ~~(4) a legal abortion~~ *an act performed as described in section 4(e),*
21 *and amendments thereto.*

22 (e) If any provision or clause of this act or application thereof to any
23 person or circumstance is held invalid, such invalidity shall not affect other
24 provisions or applications of the act which can be given effect without the
25 invalid provision or application, and to this end the provisions of this act
26 are declared to be severable.

27 Sec. 9. K.S.A. 2022 Supp. 60-1906 is hereby amended to read as
28 follows: 60-1906. (a) No civil action may be commenced in any court for a
29 claim of wrongful life or wrongful birth, and no damages may be
30 recovered in any civil action for any physical condition of a minor that
31 existed at the time of such minor's birth if the damages sought arise out of
32 a claim that a person's action or omission contributed to such minor's
33 mother not obtaining an abortion.

34 (b) Nothing in this section shall be deemed to create any new cause of
35 action, nor preclude any otherwise proper cause of action based on a claim
36 that, but for a person's wrongful action or omission, the death or physical
37 injury of the mother would not have occurred, or the handicap, disease or
38 disability of an individual prior to birth would have been prevented, cured
39 or ameliorated in a manner that preserved the health and life of such
40 individual.

41 (c) If any provision or clause of this act or application thereof to any
42 person or circumstance is held invalid, such invalidity shall not affect other
43 provisions or applications of the act which can be given effect without the

1 invalid provision or application, and to this end the provisions of this act
2 are declared to be severable.

3 (d) As used in this section:

4 (1) "Abortion" ~~has the same meaning as such term is~~ *means the same*
5 ~~as defined in K.S.A. 65-6701 section 4,~~ and amendments thereto.

6 (2) "Claim of wrongful birth" means a cause of action brought by a
7 parent, legal guardian or other individual legally required to provide for
8 the support of a minor, which seeks damages, whether economic or
9 noneconomic, as a result of a physical condition of such minor that existed
10 at the time of such minor's birth, and which is based on a claim that a
11 person's action or omission contributed to such minor's mother not
12 obtaining an abortion.

13 (3) "Claim of wrongful life" means a cause of action brought by, or
14 on behalf of, a minor, which seeks damages, whether economic or
15 noneconomic, for such minor as a result of a physical condition of such
16 minor that existed at the time of such minor's birth, and which is based on
17 a claim that a person's action or omission contributed to such minor's
18 mother not obtaining an abortion.

19 Sec. 10. K.S.A. 65-2401 is hereby amended to read as follows: 65-
20 2401. As used in this act:

21 (a) "Vital statistics" includes the registration, preparation,
22 transcription, collection, compilation, and preservation of data pertaining
23 to birth, adoption, legitimation, death, stillbirth, marriage, divorce,
24 annulment of marriage, ~~induced termination of pregnancy,~~ and data
25 incidental thereto.

26 (b) "Live birth" means the complete expulsion or extraction from its
27 mother of a human child, irrespective of the duration of pregnancy, which,
28 after such expulsion or extraction, breathes or shows any other evidence of
29 life such as beating of the heart, pulsation of the umbilical cord; or definite
30 movement of voluntary muscles, whether or not the umbilical cord has
31 been cut or the placenta is attached.

32 (c) "Gestational age" means the age of the human child as measured
33 in weeks as determined by either the last date of the mother's menstrual
34 period, a sonogram conducted prior to the 20th week of pregnancy or the
35 confirmed known date of conception.

36 (d) "Stillbirth" means any complete expulsion or extraction from its
37 mother of a human child the gestational age of which is not less than 20
38 completed weeks, resulting in other than a live birth, as defined in this
39 section, and which is not an induced termination of pregnancy.

40 (e) "Induced termination of pregnancy" means abortion, as defined in
41 ~~K.S.A. 65-6701 section 4,~~ and amendments thereto.

42 (f) "Dead body" means a lifeless human body or such parts of a
43 human body or the bones thereof from the state of which it reasonably may

1 be concluded that death recently occurred.

2 (g) "Person in charge of interment" means any person who places or
3 causes to be placed a stillborn child or dead body or the ashes, after
4 cremation, in a grave, vault, urn or other receptacle, or otherwise disposes
5 thereof.

6 (h) "Secretary" means the secretary of health and environment.

7 Sec. 11. K.S.A. 65-2837 is hereby amended to read as follows: 65-
8 2837. As used in K.S.A. 65-2836, and amendments thereto, and in this
9 section:

10 (a) "Professional incompetency" means:

11 (1) One or more instances involving failure to adhere to the
12 applicable standard of care to a degree that constitutes gross negligence, as
13 determined by the board.

14 (2) Repeated instances involving failure to adhere to the applicable
15 standard of care to a degree that constitutes ordinary negligence, as
16 determined by the board.

17 (3) A pattern of practice or other behavior that demonstrates a
18 manifest incapacity or incompetence to practice the healing arts.

19 (b) "Unprofessional conduct" means:

20 (1) Solicitation of professional patronage through the use of
21 fraudulent or false advertisements, or profiting by the acts of those
22 representing themselves to be agents of the licensee.

23 (2) Representing to a patient that a manifestly incurable disease,
24 condition or injury can be permanently cured.

25 (3) Assisting in the care or treatment of a patient without the consent
26 of the patient, the attending physician or the patient's legal representatives.

27 (4) The use of any letters, words or terms as an affix, on stationery, in
28 advertisements or otherwise indicating that such person is entitled to
29 practice a branch of the healing arts for which such person is not licensed.

30 (5) Performing, procuring or aiding and abetting in the performance
31 or procurement of ~~a criminal~~ an abortion.

32 (6) Willful betrayal of confidential information.

33 (7) Advertising professional superiority or the performance of
34 professional services in a superior manner.

35 (8) Advertising to guarantee any professional service or to perform
36 any operation painlessly.

37 (9) Participating in any action as a staff member of a medical care
38 facility that is designed to exclude or that results in the exclusion of any
39 person licensed to practice medicine and surgery from the medical staff of
40 a nonprofit medical care facility licensed in this state because of the
41 branch of the healing arts practiced by such person or without just cause.

42 (10) Failure to effectuate the declaration of a qualified patient as
43 provided in K.S.A. 65-28,107(a), and amendments thereto.

1 (11) Prescribing, ordering, dispensing, administering, selling,
2 supplying or giving any amphetamines or sympathomimetic amines,
3 except as authorized by K.S.A. 65-2837a, and amendments thereto.

4 (12) Conduct likely to deceive, defraud or harm the public.

5 (13) Making a false or misleading statement regarding the licensee's
6 skill or the efficacy or value of the drug, treatment or remedy prescribed
7 by the licensee or at the licensee's direction in the treatment of any disease
8 or other condition of the body or mind.

9 (14) Aiding or abetting the practice of the healing arts by an
10 unlicensed, incompetent or impaired person.

11 (15) Allowing another person or organization to use the licensee's
12 license to practice the healing arts.

13 (16) Commission of any act of sexual abuse, misconduct or other
14 improper sexual contact that exploits the licensee-patient relationship with
15 a patient or a person responsible for health care decisions concerning such
16 patient.

17 (17) The use of any false, fraudulent or deceptive statement in any
18 document connected with the practice of the healing arts including the
19 intentional falsifying or fraudulent altering of a patient or medical care
20 facility record.

21 (18) Obtaining any fee by fraud, deceit or misrepresentation.

22 (19) Directly or indirectly giving or receiving any fee, commission,
23 rebate or other compensation for professional services not actually and
24 personally rendered, other than through the legal functioning of lawful
25 professional partnerships, corporations, limited liability companies or
26 associations.

27 (20) Failure to transfer patient records to another licensee when
28 requested to do so by the subject patient or by such patient's legally
29 designated representative.

30 (21) Performing unnecessary tests, examinations or services that have
31 no legitimate medical purpose.

32 (22) Charging an excessive fee for services rendered.

33 (23) Prescribing, dispensing, administering or distributing a
34 prescription drug or substance, including a controlled substance, in an
35 improper or inappropriate manner, or for other than a valid medical
36 purpose, or not in the course of the licensee's professional practice.

37 (24) Repeated failure to practice healing arts with that level of care,
38 skill and treatment that is recognized by a reasonably prudent similar
39 practitioner as being acceptable under similar conditions and
40 circumstances.

41 (25) Failure to keep written medical records that accurately describe
42 the services rendered to the patient, including patient histories, pertinent
43 findings, examination results and test results.

1 (26) Delegating professional responsibilities to a person when the
2 licensee knows or has reason to know that such person is not qualified by
3 training, experience or licensure to perform them.

4 (27) Using experimental forms of therapy without proper informed
5 patient consent, without conforming to generally accepted criteria or
6 standard protocols, without keeping detailed legible records or without
7 having periodic analysis of the study and results reviewed by a committee
8 or peers.

9 (28) Prescribing, dispensing, administering or distributing an anabolic
10 steroid or human growth hormone for other than a valid medical purpose.
11 Bodybuilding, muscle enhancement or increasing muscle bulk or strength
12 through the use of an anabolic steroid or human growth hormone by a
13 person who is in good health is not a valid medical purpose.

14 (29) Referring a patient to a health care entity for services if the
15 licensee has a significant investment interest in the health care entity,
16 unless the licensee informs the patient in writing of such significant
17 investment interest and that the patient may obtain such services
18 elsewhere.

19 (30) Failing to properly supervise, direct or delegate acts that
20 constitute the healing arts to persons who perform professional services
21 pursuant to such licensee's direction, supervision, order, referral,
22 delegation or practice protocols.

23 (31) ~~Violating K.S.A. 65-6703, and amendments thereto.~~

24 (32) Charging, billing or otherwise soliciting payment from any
25 patient, patient's representative or insurer for anatomic pathology services,
26 if such services are not personally rendered by the licensee or under such
27 licensee's direct supervision. As used in this subsection, "anatomic
28 pathology services" means the gross or microscopic examination of
29 histologic processing of human organ tissue or the examination of human
30 cells from fluids, aspirates, washings, brushings or smears, including blood
31 banking services, and subcellular or molecular pathology services,
32 performed by or under the supervision of a person licensed to practice
33 medicine and surgery or a clinical laboratory. Nothing in this subsection
34 shall be construed to prohibit billing for anatomic pathology services by:

35 (A) A hospital;

36 (B) a clinical laboratory when samples are transferred between
37 clinical laboratories for the provision of anatomic pathology services; or

38 (C) a physician providing services to a patient pursuant to a medical
39 retainer agreement in compliance with K.S.A. 65-4978, and amendments
40 thereto, when the bill to the patient for such services:

41 (i) Identifies the laboratory or physician that performed the services;

42 (ii) discloses in writing to the patient the actual amount charged by
43 the physician or laboratory that performed the service; and

1 (iii) is consistent with rules and regulations adopted by the board for
 2 appropriate billing standards applicable to such services when furnished
 3 under these agreements.

4 ~~(33)~~(32) Engaging in conduct that violates patient trust and exploits
 5 the licensee-patient relationship for personal gain.

6 ~~(34)~~(33) Obstructing a board investigation including, but not limited
 7 to, engaging in one or more of the following acts:

8 (A) Falsifying or concealing a material fact;

9 (B) knowingly making or causing to be made any false or misleading
 10 statement or writing; or

11 (C) other acts or conduct likely to deceive or defraud the board.

12 (c) "False advertisement" means any advertisement that is false,
 13 misleading or deceptive in a material respect. In determining whether any
 14 advertisement is misleading, there shall be taken into account not only
 15 representations made or suggested by statement, word, design, device,
 16 sound or any combination thereof, but also the extent to which the
 17 advertisement fails to reveal facts material in the light of such
 18 representations made.

19 (d) "Advertisement" means all representations disseminated in any
 20 manner or by any means for the purpose of inducing, or that are likely to
 21 induce, directly or indirectly, the purchase of professional services.

22 (e) "Licensee" for purposes of this section and K.S.A. 65-2836, and
 23 amendments thereto, means all persons issued a license, permit or special
 24 permit pursuant to article 28 of chapter 65 of the Kansas Statutes
 25 Annotated, and amendments thereto.

26 (f) "License" for purposes of this section and K.S.A. 65-2836, and
 27 amendments thereto, means any license, permit or special permit granted
 28 under article 28 of chapter 65 of the Kansas Statutes Annotated, and
 29 amendments thereto.

30 (g) "Health care entity" means any corporation, firm, partnership or
 31 other business entity that provides services for diagnosis or treatment of
 32 human health conditions and that is owned separately from a referring
 33 licensee's principle practice.

34 (h) "Significant investment interest" means ownership of at least 10%
 35 of the value of the firm, partnership or other business entity that owns or
 36 leases the health care entity, or ownership of at least 10% of the shares of
 37 stock of the corporation that owns or leases the health care entity.

38 Sec. 12. K.S.A. 65-6731 is hereby amended to read as follows: 65-
 39 6731. As used in K.S.A. 65-6731 through 65-6738, and amendments
 40 thereto:

41 (a) "Abortion" ~~has the same meaning as such term is~~ *means the same*
 42 *as defined in K.S.A. 65-6701 section 4,* and amendments thereto.

43 (b) "Health benefit plan" means any hospital or medical expense

1 policy, health, hospital or medical services corporation contract, and a plan
2 provided by a municipal group-funded pool, or a health maintenance
3 organization contract offered by any employer or any certificate issued
4 under any such policy, contract or plan.

5 (c) "Health care entity" means an individual physician or other health
6 care professional, a hospital, a provider-sponsored organization, a health
7 maintenance organization or any other health care facility or organization.

8 (d) "School district" means any public school district organized under
9 the laws of this state.

10 (e) "State agency" ~~has the same meaning as such term is~~ *means the*
11 *same as* defined in K.S.A. 75-3701, and amendments thereto.

12 Sec. 13. K.S.A. 65-6732 is hereby amended to read as follows: 65-
13 6732. (a) The legislature hereby finds and declares the following:

14 (1) The life of each human being begins at fertilization;

15 (2) unborn children have interests in life, health and well-being that
16 should be protected; and

17 (3) the parents of unborn children have protectable interests in the
18 life, health and well-being of the unborn children of such parents.

19 ~~On and after July 1, 2013,~~ The laws of this state shall be
20 interpreted and construed to acknowledge on behalf of the unborn child at
21 every stage of development, all the rights, privileges and immunities
22 available to other persons, citizens and residents of this state, ~~subject only~~
23 ~~to as outlined in the constitution of the United States, and decisional~~
24 ~~interpretations thereof by the United States supreme court and specific~~
25 ~~provisions to the contrary in the Kansas~~ *the constitution of the state of*
26 *Kansas and the Kansas Statutes Annotated, and to treat as void and of no*
27 *effect all rulings of any district or appellate court of this state, rules and*
28 *regulations and executive orders that would deprive an unborn child of the*
29 *right to life.*

30 (c) As used in this section:

31 (1) "Fertilization" means the fusion of a human spermatozoon with a
32 human ovum.

33 (2) "Unborn children" or "unborn child" shall include all unborn
34 children or the offspring of human beings from the moment of fertilization
35 until birth at every stage of biological development.

36 (d) Nothing in this section shall be construed as creating a cause of
37 action against a woman for indirectly harming her unborn child by failing
38 to properly care for herself or by failing to follow any particular program
39 of prenatal care.

40 Sec. 14. K.S.A. 65-67a01 is hereby amended to read as follows: 65-
41 67a01. As used in this act:

42 (a) "Abortion" means an abortion as defined ~~by K.S.A. 65-6701 in~~
43 *section 4*, and amendments thereto.

- 1 (b) (1) "Consideration" means:
- 2 (A) Any payment made or debt incurred;
- 3 (B) any gift, honorarium or recognition of value bestowed;
- 4 (C) any price, charge or fee which is waived, forgiven, reduced or
- 5 indefinitely delayed;
- 6 (D) any loan or debt which is canceled or otherwise forgiven; or
- 7 (E) the transfer of any item from one person to another or provision
- 8 of any service or granting of any opportunity for which a charge is
- 9 customarily made, without charge or for a reduced charge.

- 10 (2) "Consideration" shall not mean:
- 11 (A) A payment in an amount not to exceed \$25 for the cost of
- 12 transporting, processing, preserving and storing fetal tissue; or
- 13 (B) a payment in an amount not to exceed the actual cost, as
- 14 documented by the delivery service, of transporting fetal tissue.

15 (c) "Delivery service" means a common carrier as defined by K.S.A.
 16 66-105, and amendments thereto, or other person or entity used to
 17 transport fetal tissue.

18 (d) "Fetal tissue" means any tissue, cells or organs obtained from a
 19 dead human embryo or fetus after ~~an abortion or after a miscarriage or a~~
 20 stillbirth.

21 (e) "Person" means a person as defined by K.S.A. 65-425, and
 22 amendments thereto.

23 (f) "Stillbirth" means a stillbirth as defined by K.S.A. 65-2401, and
 24 amendments thereto.

25 Sec. 15. K.S.A. 65-67a02 is hereby amended to read as follows: 65-
 26 67a02. Except as specifically provided by ~~this act in K.S.A. 65-67a07, and~~
 27 ~~amendments thereto~~, nothing in this act shall be construed as ~~either~~
 28 ~~permitting or prohibiting~~ the use of fetal tissue for any type of scientific,
 29 research, laboratory or other kind of experimentation either prior to or
 30 subsequent to any ~~abortion or miscarriage or~~ stillbirth.

31 Sec. 16. K.S.A. 65-67a04 is hereby amended to read as follows: 65-
 32 67a04. (a) No person shall solicit, offer, knowingly acquire or accept or
 33 transfer any fetal tissue for consideration.

34 (b) No person shall solicit, offer or knowingly acquire or accept or
 35 transfer any fetal tissue for the purpose of transplantation of such tissue
 36 into another person ~~if:~~

- 37 ~~(1) The fetal tissue will be or is obtained pursuant to an abortion; and~~
- 38 ~~(2) (A) the donation of such fetal tissue will be or is made pursuant to~~
- 39 ~~a promise to the donating individual that the donated tissue will be~~
- 40 ~~transplanted into a recipient specified by such donating individual;~~
- 41 ~~(B) such fetal tissue will be transplanted into a relative of the~~
- 42 ~~donating individual; or~~
- 43 ~~(C) the person who solicits or knowingly acquires or accepts the~~

1 ~~donation of such fetal tissue has provided consideration for the costs~~
2 ~~associated with such abortion.~~

3 (c) Any person who intentionally, knowingly or recklessly violates
4 this section shall be guilty of a severity level 2, nonperson felony.

5 Sec. 17. K.S.A. 65-67a07 is hereby amended to read as follows: 65-
6 67a07. (a) No person shall use fetal organs or tissue for medical, scientific,
7 experimental or therapeutic use without the voluntary and informed
8 consent of the ~~woman donating such tissue. Such consent shall not be~~
9 ~~discussed or obtained prior to obtaining the consent required under K.S.A.~~
10 ~~65-6709, and amendments thereto~~ *mother or father of the unborn child*
11 *whose tissue is being donated.*

12 (b) A person who intentionally, knowingly or recklessly violates this
13 section shall be guilty of a severity level 2, nonperson felony.

14 Sec. 18. K.S.A. 76-3308 is hereby amended to read as follows: 76-
15 3308.(a) The authority shall have all the powers necessary to carry out the
16 purposes and provisions of this act, including, without limitation, the
17 following powers to:

18 (1) Have the duties, privileges, immunities, rights, liabilities and
19 disabilities of a body corporate and a political instrumentality of the state;

20 (2) have perpetual existence and succession;

21 (3) adopt, have and use a seal and to alter the same at its pleasure;

22 (4) sue and be sued in its own name;

23 (5) make and execute contracts, guarantees or any other instruments
24 and agreements necessary or convenient for the exercise of its powers and
25 functions including, without limitation, to make and execute contracts with
26 hospitals or other health care businesses to operate and manage any or all
27 of the hospital facilities or operations and to incur liabilities and secure the
28 obligations of any entity or individual;

29 (6) borrow money and to issue bonds evidencing the same and pledge
30 all or any part of the authority's assets therefor;

31 (7) purchase, lease, trade, exchange or otherwise acquire, maintain,
32 hold, improve, mortgage, sell, lease and dispose of personal property,
33 whether tangible or intangible, and any interest therein; and to purchase,
34 lease, trade, exchange or otherwise acquire real property or any interest
35 therein, and to maintain, hold, improve, mortgage, lease and otherwise
36 transfer such real property, so long as such transactions do not conflict
37 with the mission of the authority as specified in this act;

38 (8) incur or assume indebtedness to, and enter into contracts with the
39 Kansas development finance authority, which is authorized to borrow
40 money and provide financing for the authority;

41 (9) develop policies and procedures generally applicable to the
42 procurement of goods, services and construction, based upon sound
43 business practices;

1 (10) contract for and to accept any gifts, grants and loans of funds,
2 property, or any other aid in any form from the federal government, the
3 state, any state agency, or any other source, or any combination thereof,
4 and to comply with the provisions of the terms and conditions thereof;

5 (11) acquire space, equipment, services, supplies and insurance
6 necessary to carry out the purposes of this act;

7 (12) deposit any moneys of the authority in any banking institution
8 within or without the state or in any depository authorized to receive such
9 deposits, one or more persons to act as custodians of the moneys of the
10 authority, to give surety bonds in such amounts in form and for such
11 purposes as the board requires;

12 (13) procure such insurance, participate in such insurance plans or
13 provide such self insurance or both as it deems necessary or convenient to
14 carry out the purposes and provisions of this act; the purchase of
15 insurance, participation in an insurance plan or creation of a self-insurance
16 fund by the authority shall not be deemed as a waiver or relinquishment of
17 any sovereign immunity to which the authority or its officers, directors,
18 employees or agents are otherwise entitled;

19 (14) appoint, supervise and set the salary and compensation of a
20 president of the authority who shall be appointed by and serve at the
21 pleasure of the board;

22 (15) fix, revise, charge and collect rates, rentals, fees and other
23 charges for the services or facilities furnished by or on behalf of the
24 authority, and to establish policies and procedures regarding any such
25 service rendered for the use, occupancy or operation of any such facility;
26 such charges and policies and procedures not to be subject to supervision
27 or regulation by any commission, board, bureau or agency of the state; and

28 (16) do any and all things necessary or convenient to carry out the
29 authority's purposes and exercise the powers given in this act.

30 (b) The authority may create, own in whole or in part, or otherwise
31 acquire or dispose of any entity organized for a purpose related to or in
32 support of the mission of the authority.

33 (c) The authority may participate in joint ventures with individuals,
34 corporations, governmental bodies or agencies, partnerships, associations,
35 insurers or other entities to facilitate any activities or programs consistent
36 with the public purpose and intent of this act.

37 (d) The authority may create a nonprofit entity or entities for the
38 purpose of soliciting, accepting and administering grants, outright gifts and
39 bequests, endowment gifts and bequests and gifts and bequests in trust
40 which entity or entities shall not engage in trust business.

41 (e) In carrying out any activities authorized by this act, the authority
42 may provide appropriate assistance, including the making of loans and
43 providing time of employees, to corporations, partnerships, associations,

1 joint ventures or other entities, whether or not such corporations,
2 partnerships, associations, joint ventures or other entities are owned or
3 controlled in whole or in part, directly or indirectly, by the authority.

4 (f) Effective with the transfer date, all moneys of the authority shall
5 be deposited in one or more banks or trust companies in one or more
6 special accounts. All banks and trust companies are authorized to give
7 security for such deposits if required by the authority. The moneys in such
8 accounts shall be paid out on a warrant or other orders of the treasurer of
9 the authority or any such other person or persons as the authority may
10 authorize to execute such warrants or orders.

11 (g) Notwithstanding any provision of law to the contrary, the
12 authority, effective with the transfer date, may invest the authority's
13 operating funds in any obligations or securities as authorized by the board.
14 The board shall adopt written investment guidelines.

15 (h) The authority is authorized to negotiate contracts with one or
16 more qualified parties to provide collection services. The selection of a
17 collection services provider shall be based on responses to a request for
18 proposals from qualified professional firms and shall be administered in
19 accordance with policies adopted by the board.

20 (i) Notwithstanding any provision of law to the contrary, no abortion,
21 *as defined in section 4, and amendments thereto*, shall be performed,
22 ~~except in the event of a medical emergency~~, in any medical facility,
23 hospital or clinic owned, leased or operated by the authority. ~~The~~
24 ~~provisions of this subsection are not applicable to any member of the~~
25 ~~physician faculty of the university of Kansas school of medicine when~~
26 ~~such abortion is performed outside the scope of such member's~~
27 ~~employment on property not owned, leased or operated by the authority.~~
28 ~~As used in this subsection, "medical emergency" means a condition that, in~~
29 ~~reasonable medical judgment, so complicates the medical condition of the~~
30 ~~pregnant woman as to necessitate the immediate abortion of her pregnancy~~
31 ~~to avert the death of the woman or for which a delay necessary to comply~~
32 ~~with the applicable statutory requirements will create serious risk of~~
33 ~~substantial and irreversible physical impairment of a major bodily~~
34 ~~function. No condition shall be deemed a medical emergency if based on a~~
35 ~~claim or diagnosis that the woman will engage in conduct which would~~
36 ~~result in her death or in substantial and irreversible physical impairment of~~
37 ~~a major bodily function.~~

38 Sec. 19. K.S.A. 2022 Supp. 79-32,182b is hereby amended to read as
39 follows: 79-32,182b. (a) For all taxable years commencing after December
40 31, 2022, a credit shall be allowed against the tax imposed by the Kansas
41 income tax act on the Kansas taxable income of a taxpayer for
42 expenditures in research and development activities conducted within this
43 state in an amount equal to 10% of the amount by which the amount

1 expended for such activities in the taxable year of the taxpayer exceeds the
2 taxpayer's average of the actual expenditures for such purposes made in
3 such taxable year and the next preceding two taxable years.

4 (b) In any one taxable year, the amount of such credit allowable for
5 deduction from the taxpayer's tax liability shall not exceed 25% of the total
6 amount of such credit plus any applicable carry forward amount. The
7 amount by which that portion of the credit allowed by subsections (a) and
8 (b) to be claimed in any one taxable year exceeds the taxpayer's tax
9 liability in such year may be carried forward until the total amount of the
10 credit is used.

11 (c) As used in this section, the term "expenditures in research and
12 development activities" means expenditures made for such purposes, other
13 than expenditures of moneys made available to the taxpayer pursuant to
14 federal or state law, which are treated as expenses allowable for deduction
15 under the provisions of the federal internal revenue code of 1986, as
16 amended, except that for taxable years commencing after December 31,
17 2013, expenditures in research and development activities shall not include
18 any expenditures for the performance of any abortion, as defined in ~~K.S.A.~~
19 ~~65-6701~~ *section 4*, and amendments thereto.

20 (d) For tax year 2023 and all tax years thereafter, the income tax
21 credit allowed pursuant to this section shall be transferable by a taxpayer
22 without a current tax liability. The tax credit may be transferred to any
23 person and be claimed by the transferee as a credit against the transferee's
24 Kansas income tax liability in the tax year when it was transferred. The
25 credit shall be claimed and may be carried forward by the transferee as
26 provided and limited by subsection (b). No person shall be entitled to a
27 refund for the transferred tax credit. Only the full credit may be
28 transferred, and the credit may only be transferred one time.
29 Documentation of any credit acquired by transfer shall be provided by the
30 taxpayer or the transferee in the manner required by the secretary of
31 revenue.

32 Sec. 20. K.S.A. 79-32,195 is hereby amended to read as follows: 79-
33 32,195. As used in this act, the following words and phrases shall have the
34 meanings ascribed to them herein: (a) "Business firm" means any business
35 entity authorized to do business in the state of Kansas ~~which~~ *that* is subject
36 to the state income tax imposed by the provisions of the Kansas income
37 tax act, any individual subject to the state income tax imposed by the
38 provisions of the Kansas income tax act, any national banking association,
39 state bank, trust company or savings and loan association paying an annual
40 tax on its net income pursuant to article 11 of chapter 79 of the Kansas
41 Statutes Annotated, and amendments thereto, or any insurance company
42 paying the premium tax and privilege fees imposed pursuant to K.S.A. 40-
43 252, and amendments thereto;

1 (b) "Community services" means:

2 (1) The conduct of activities—~~which that~~ meet a demonstrated
3 community need and—~~which that~~ are designed to achieve improved
4 educational and social services for Kansas children and their families, and
5 ~~which that~~ are coordinated with communities including, but not limited to,
6 social and human services organizations that address the causes of poverty
7 through programs and services that assist low income persons in the areas
8 of employment, food, housing, emergency assistance and health care;

9 (2) crime prevention;

10 (3) health care services; and

11 (4) youth apprenticeship and technical training.

12 (c) "Crime prevention" means any nongovernmental activity—~~which~~
13 ~~that~~ aids in the prevention of crime.

14 (d) "Youth apprenticeship and technical training" means conduct of
15 activities—~~which that~~ are designed to improve the access to and quality of
16 apprenticeship and technical training—~~which that~~ support an emphasis on
17 rural construction projects as well as the necessary equipment, facilities
18 and supportive mentorship for youth apprenticeships and technical
19 training.

20 (e) "Community service organization" means any organization
21 performing community services in Kansas ~~and which that~~.

22 (1) Has obtained a ruling from the internal revenue service of the
23 United States department of the treasury that such organization is exempt
24 from income taxation under the provisions of section 501(c)(3) of the
25 federal internal revenue code; or

26 (2) is incorporated in the state of Kansas or another state as a
27 nonstock, nonprofit corporation; or

28 (3) has been designated as a community development corporation by
29 the United States government under the provisions of title VII of the
30 economic opportunity act of 1964; or

31 (4) is chartered by the United States congress.

32 (f) "Contributions"—~~shall mean and include~~ *means and includes* the
33 donation of cash, services or property other than used clothing in an
34 amount or value of \$250 or more. Stocks and bonds contributed shall be
35 valued at the stock market price on the date of transfer. Services
36 contributed shall be valued at the standard billing rate for not-for-profit
37 clients. Personal property items contributed shall be valued at the lesser of
38 its fair market value or cost to the donor and may be inclusive of costs
39 incurred in making the contribution, but shall not include sales tax.
40 Contributions of real estate are allowable for credit only when title thereto
41 is in fee simple absolute and is clear of any encumbrances. The amount of
42 credit allowable shall be based upon the lesser of two current independent
43 appraisals conducted by state licensed appraisers.

1 (g) "Health care services" ~~shall include, but not be~~ *includes, but is not*
2 limited to, the following: Services provided by local health departments,
3 city, county or district hospitals, city or county nursing homes, or other
4 residential institutions, preventive health care services offered by a
5 community service organization including immunizations, prenatal care,
6 the postponement of entry into nursing homes by home health care
7 services, and community based services for persons with a disability,
8 mental health services, indigent health care, physician or health care
9 worker recruitment, health education, emergency medical services,
10 services provided by rural health clinics, integration of health care
11 services, home health services and services provided by rural health
12 networks, except that for taxable years commencing after December 31,
13 2013, "health care services" ~~shall~~ *does* not include any service involving
14 the performance of any abortion, as defined in ~~K.S.A. 65-6701~~ *section 4*,
15 and amendments thereto.

16 (h) "Rural community" means any city having a population of fewer
17 than 15,000 located in a county that is not part of a standard metropolitan
18 statistical area as defined by the United States department of commerce or
19 its successor agency. However, any such city located in a county defined
20 as a standard metropolitan statistical area shall be deemed a rural
21 community if a substantial number of persons in such county derive their
22 income from agriculture and, in any county where there is only one city
23 within the county which has a population of more than 15,000 and which
24 classifies as a standard metropolitan statistical area, all other cities in that
25 county having a population of less than 15,000 shall be deemed a rural
26 community.

27 Sec. 21. K.S.A. 2022 Supp. 79-32,261 is hereby amended to read as
28 follows: 79-32,261. (a) (1) On and after July 1, 2008, any taxpayer who
29 contributes in the manner prescribed by this paragraph to a community
30 college located in Kansas for capital improvements, to a technical college
31 for deferred maintenance or the purchase of technology or equipment or to
32 a postsecondary educational institution located in Kansas for deferred
33 maintenance, shall be allowed a credit against the tax imposed by the
34 Kansas income tax act, the premium tax or privilege fees imposed
35 pursuant to K.S.A. 40-252, and amendments thereto, or the privilege tax as
36 measured by net income of financial institutions imposed pursuant to
37 article 11 of chapter 79 of the Kansas Statutes Annotated, and amendments
38 thereto. The tax credit allowed by this paragraph is applicable for the tax
39 year 2008 for any contributions made on and after July 1, 2008, and for the
40 tax years 2009, 2010, 2011 and 2012 for any contributions made during
41 the entire tax year. The amount of the credit allowed by this paragraph
42 shall not exceed 60% of the total amount contributed during the taxable
43 year by the taxpayer to a community college or a technical college located

1 in Kansas for such purposes. The amount of the credit allowed by this
2 paragraph shall not exceed 50% of the total amount contributed during the
3 taxable year by the taxpayer to a postsecondary educational institution for
4 such purposes. If the amount of the credit allowed by this paragraph for a
5 taxpayer who contributes to a community college or a technical college
6 exceeds the taxpayer's income tax liability imposed by the Kansas income
7 tax act, such excess amount shall be refunded to the taxpayer. If the
8 amount of the tax credit for a taxpayer who contributes to a postsecondary
9 educational institution exceeds the taxpayer's income tax liability for the
10 taxable year, the amount which exceeds the tax liability may be carried
11 over for deduction from the taxpayer's income tax liability in the next
12 succeeding taxable year or years until the total amount of the tax credit has
13 been deducted from tax liability, except that no such tax credit shall be
14 carried over for deduction after the third taxable year succeeding the
15 taxable year in which the contribution is made. Prior to the issuance of any
16 tax credits pursuant to this paragraph, the structure of the process in which
17 contributions received by a community college, a technical college or a
18 postsecondary educational institution qualify as tax credits allowed and
19 issued pursuant to this paragraph shall be developed by a community
20 college, a technical college and a postsecondary educational institution in
21 consultation with the secretary of revenue and the foundation or
22 endowment association of any such community college, technical college
23 or postsecondary educational institution in a manner that complies with
24 requirements specified in the federal internal revenue code of 1986, as
25 amended, so that contributions qualify as charitable contributions
26 allowable as deductions from federal adjusted gross income.

27 (2) On and after July 1, 2022, any taxpayer who contributes in the
28 manner prescribed by this paragraph to a community college or technical
29 college located in Kansas for capital improvements, deferred maintenance
30 or the purchase of technology or equipment shall be allowed a credit
31 against the tax imposed by the Kansas income tax act, the premium tax or
32 privilege fees imposed pursuant to K.S.A. 40-252, and amendments
33 thereto, or the privilege tax as measured by net income of financial
34 institutions imposed pursuant to article 11 of chapter 79 of the Kansas
35 Statutes Annotated, and amendments thereto. The tax credit allowed by
36 this paragraph is applicable for the tax year 2022 for any contributions
37 made on and after July 1, 2022, and for the tax years 2023, 2024, 2025 and
38 2026 for any contributions made during the entire tax year. The amount of
39 the credit allowed by this paragraph shall equal 60% of the total amount
40 contributed during the taxable year by the taxpayer to a community college
41 or a technical college located in Kansas for such purposes. Prior to the
42 issuance of any tax credits pursuant to this paragraph, the structure of the
43 process in which contributions received by a community college or

1 technical college qualify as tax credits allowed and issued pursuant to this
2 paragraph shall be developed by a community college and technical
3 college in consultation with the secretary of revenue and the foundation or
4 endowment association of any such community college or technical
5 college in a manner that complies with requirements specified in the
6 federal internal revenue code of 1986, as amended, so that contributions
7 qualify as charitable contributions allowable as deductions from federal
8 adjusted gross income.

9 (b) (1) Upon receipt of any contributions to a community college
10 made pursuant to the provisions of subsection (a)(1), the treasurer of the
11 community college shall deposit such contributions to the credit of the
12 capital outlay fund of such community college established as provided by
13 K.S.A. 71-501a, and amendments thereto. Expenditures from such fund
14 shall be made for the purposes described in K.S.A. 71-501(a), and
15 amendments thereto, except that expenditures shall not be made from such
16 fund for new construction or the acquisition of real property for use as
17 building sites or for educational programs.

18 (2) Upon receipt of any contributions to a technical college made
19 pursuant to the provisions of subsection (a)(1), such contributions shall be
20 deposited to the credit of a deferred maintenance fund or a technology and
21 equipment fund established by the technical college which received the
22 contribution. Expenditures from such fund shall be made only for the
23 purpose as provided in subsection (b)(1).

24 (3) Upon receipt of any such contributions to a postsecondary
25 educational institution made pursuant to the provisions of subsection (a)
26 (1), such contributions shall be deposited to the credit of the appropriate
27 deferred maintenance support fund of the postsecondary educational
28 institution that received the contribution. Expenditures from such fund
29 shall be made only for the purposes designated for such fund pursuant to
30 law.

31 (4) Upon receipt of any such contributions to a community college or
32 technical college made pursuant to the provisions of subsection (a)(2), the
33 treasurer of the community college or technical college shall deposit such
34 contributions to the credit of the capital outlay fund of such community
35 college or technical college established as provided by K.S.A. 71-501a,
36 and amendments thereto. Expenditures from such fund shall be made for
37 the purposes designated for such fund pursuant to law.

38 (c) (1) In no event shall the total amount of credits allowed under
39 subsection (a)(1) for taxpayers who contribute to any one such community
40 college or technical college exceed the following amounts: For the tax year
41 2008, an amount not to exceed \$78,125; for the tax year 2009, an amount
42 not to exceed \$156,250; and for the tax years 2010, 2011 and 2012, an
43 amount not to exceed \$208,233.33.

1 (2) In no event shall the total of credits allowed under subsection (a)
2 (1) for taxpayers who contribute to postsecondary educational institutions
3 exceed the following amounts: For the tax year 2008, an amount not to
4 exceed \$5,625,000; for the tax year 2009, an amount not to exceed
5 \$11,250,000; and for the tax years 2010, 2011 and 2012, an amount not to
6 exceed \$15,000,000. Except as otherwise provided, the allocation of such
7 tax credits for each individual state educational institution shall be
8 determined by the state board of regents in consultation with the secretary
9 of revenue and the university foundation or endowment association of
10 each postsecondary educational institution, and such determination shall
11 be completed prior to the issuance of any tax credits pursuant to subsection
12 (a)(1). Not more than 40% of the total of credits allowed under subsection
13 (a)(1) shall be allocated to any one postsecondary educational institution
14 unless all such postsecondary educational institutions approve an
15 allocation to any one such postsecondary educational institution which
16 exceeds 40% of the total of such credits allowed under subsection (a)(1).

17 (3) For the tax years 2022 through 2026, the amount of such credit
18 awarded under subsection (a)(2) for each taxpayer shall not exceed
19 \$250,000 per tax year.

20 (4) In no event shall the total of credits allowed under subsection (a)
21 (2) for contributions to any one community college or technical college
22 exceed \$500,000 per tax year.

23 (5) In no event shall the total of credits allowed under subsection (a)
24 (2) exceed \$5,000,000 for each tax year that the credit remains in effect.

25 (d) As used in this section:

26 (1) "Community college" means a community college established
27 under the provisions of the community college act;

28 (2) "deferred maintenance" means the maintenance, repair,
29 reconstruction or rehabilitation of a building located at a technical college
30 or a postsecondary educational institution which has been deferred, any
31 utility systems relating to such building, any life-safety upgrades to such
32 building and any improvements necessary to be made to such building in
33 order to comply with the requirements of the Americans with disabilities
34 act or other federal or state law, except that for taxable years commencing
35 after December 31, 2013, deferred maintenance shall not include any
36 maintenance, repair, reconstruction or rehabilitation of any building in
37 which any abortion, as defined in ~~K.S.A. 65-6701~~ section 4, and
38 amendments thereto, is performed;

39 (3) "postsecondary educational institution" means the university of
40 Kansas, Kansas state university of agriculture and applied science, Wichita
41 state university, Emporia state university, Pittsburg state university, Fort
42 Hays state university and Washburn university of Topeka; and

43 (4) "technical college" means a technical college as designated

1 pursuant to K.S.A. 74-32,458, 74-32,460, 74-32,461, 74-32,462, 74-
2 32,464 and 74-32,465, and amendments thereto, and the institute of
3 technology at Washburn university.

4 (e) (1) Any taxpayer not subject to Kansas income, privilege or
5 premiums tax who contributes to a community college, technical college
6 or postsecondary educational institution, hereinafter designated the
7 transferor, may sell, assign, convey or otherwise transfer tax credits
8 allowed and earned pursuant to this section. The sale price of a tax credit
9 shall be at least 50% of the full value of the credit. Such credit shall be
10 deemed to be allowed and earned by any such taxpayer which is only
11 disqualified therefrom by reason of not being subject to such Kansas taxes.
12 The taxpayer acquiring earned credits, hereinafter designated the
13 transferee, may use the amount of the acquired credits to offset up to 100%
14 of the taxpayer's income, privilege or premiums tax liability for the taxable
15 year in which such acquisition was made. Such credits may be sold or
16 transferred only one time and, if sold or transferred, shall be transferred in
17 the tax year such credit is earned or the two successive tax years. A
18 transferred credit shall be claimed in the year purchased. The transferor
19 shall enter into a written agreement with the transferee establishing the
20 terms and conditions of the sale or transfer and shall perfect such transfer
21 by notifying the secretary of revenue in writing within 30 calendar days
22 following the effective date of the transfer, subject to the review and
23 approval or denial of such transfer by the secretary of revenue. The
24 transferor and transferee shall provide any information pertaining to the
25 sale or transfer as may be required by the secretary of revenue to
26 administer and carry out the provisions of this section. The amount
27 received by the transferor of such tax credit shall be taxable as income of
28 the transferor, and the excess of the value of such credit over the amount
29 paid by the transferee for such credit shall be taxable as income of the
30 transferee.

31 (2) The provisions of this subsection shall not apply to tax credits
32 earned pursuant to subsection (a)(2).

33 (f) The secretary of revenue shall submit an annual report to the
34 legislature to assist the legislature in the evaluation of the utilization of any
35 credits claimed pursuant to this act, including information specific as to
36 each community college, technical college or postsecondary educational
37 institution. Such report shall be due on or before the first day of the
38 legislative session following the tax year in which the credits were
39 claimed.

40 (g) The secretary of revenue shall adopt rules and regulations
41 necessary to administer the provisions of this section.

42 Sec. 22. K.S.A. 2022 Supp. 79-3606 is hereby amended to read as
43 follows: 79-3606. The following shall be exempt from the tax imposed by

1 this act:

2 (a) All sales of motor-vehicle fuel or other articles upon which a sales
3 or excise tax has been paid, not subject to refund, under the laws of this
4 state except cigarettes and electronic cigarettes as defined by K.S.A. 79-
5 3301, and amendments thereto, including consumable material for such
6 electronic cigarettes, cereal malt beverages and malt products as defined
7 by K.S.A. 79-3817, and amendments thereto, including wort, liquid malt,
8 malt syrup and malt extract, that is not subject to taxation under the
9 provisions of K.S.A. 79-41a02, and amendments thereto, motor vehicles
10 taxed pursuant to K.S.A. 79-5117, and amendments thereto, tires taxed
11 pursuant to K.S.A. 65-3424d, and amendments thereto, drycleaning and
12 laundry services taxed pursuant to K.S.A. 65-34,150, and amendments
13 thereto, and gross receipts from regulated sports contests taxed pursuant to
14 the Kansas professional regulated sports act, and amendments thereto;

15 (b) all sales of tangible personal property or service, including the
16 renting and leasing of tangible personal property, purchased directly by the
17 state of Kansas, a political subdivision thereof, other than a school or
18 educational institution, or purchased by a public or private nonprofit
19 hospital, public hospital authority, nonprofit blood, tissue or organ bank or
20 nonprofit integrated community care organization and used exclusively for
21 state, political subdivision, hospital, public hospital authority, nonprofit
22 blood, tissue or organ bank or nonprofit integrated community care
23 organization purposes, except when: (1) Such state, hospital or public
24 hospital authority is engaged or proposes to engage in any business
25 specifically taxable under the provisions of this act and such items of
26 tangible personal property or service are used or proposed to be used in
27 such business; or (2) such political subdivision is engaged or proposes to
28 engage in the business of furnishing gas, electricity or heat to others and
29 such items of personal property or service are used or proposed to be used
30 in such business;

31 (c) all sales of tangible personal property or services, including the
32 renting and leasing of tangible personal property, purchased directly by a
33 public or private elementary or secondary school or public or private
34 nonprofit educational institution and used primarily by such school or
35 institution for nonsectarian programs and activities provided or sponsored
36 by such school or institution or in the erection, repair or enlargement of
37 buildings to be used for such purposes. The exemption herein provided
38 shall not apply to erection, construction, repair, enlargement or equipment
39 of buildings used primarily for human habitation, except that such
40 exemption shall apply to the erection, construction, repair, enlargement or
41 equipment of buildings used for human habitation by the cerebral palsy
42 research foundation of Kansas located in Wichita, Kansas, and multi
43 community diversified services, incorporated, located in McPherson,

1 Kansas;

2 (d) all sales of tangible personal property or services purchased by a
3 contractor for the purpose of constructing, equipping, reconstructing,
4 maintaining, repairing, enlarging, furnishing or remodeling facilities for
5 any public or private nonprofit hospital or public hospital authority, public
6 or private elementary or secondary school, a public or private nonprofit
7 educational institution, state correctional institution including a privately
8 constructed correctional institution contracted for state use and ownership,
9 that would be exempt from taxation under the provisions of this act if
10 purchased directly by such hospital or public hospital authority, school,
11 educational institution or a state correctional institution; and all sales of
12 tangible personal property or services purchased by a contractor for the
13 purpose of constructing, equipping, reconstructing, maintaining, repairing,
14 enlarging, furnishing or remodeling facilities for any political subdivision
15 of the state or district described in subsection (s), the total cost of which is
16 paid from funds of such political subdivision or district and that would be
17 exempt from taxation under the provisions of this act if purchased directly
18 by such political subdivision or district. Nothing in this subsection or in
19 the provisions of K.S.A. 12-3418, and amendments thereto, shall be
20 deemed to exempt the purchase of any construction machinery, equipment
21 or tools used in the constructing, equipping, reconstructing, maintaining,
22 repairing, enlarging, furnishing or remodeling facilities for any political
23 subdivision of the state or any such district. As used in this subsection,
24 K.S.A. 12-3418 and 79-3640, and amendments thereto, "funds of a
25 political subdivision" shall mean general tax revenues, the proceeds of any
26 bonds and gifts or grants-in-aid. Gifts shall not mean funds used for the
27 purpose of constructing, equipping, reconstructing, repairing, enlarging,
28 furnishing or remodeling facilities that are to be leased to the donor. When
29 any political subdivision of the state, district described in subsection (s),
30 public or private nonprofit hospital or public hospital authority, public or
31 private elementary or secondary school, public or private nonprofit
32 educational institution, state correctional institution including a privately
33 constructed correctional institution contracted for state use and ownership
34 shall contract for the purpose of constructing, equipping, reconstructing,
35 maintaining, repairing, enlarging, furnishing or remodeling facilities, it
36 shall obtain from the state and furnish to the contractor an exemption
37 certificate for the project involved, and the contractor may purchase
38 materials for incorporation in such project. The contractor shall furnish the
39 number of such certificate to all suppliers from whom such purchases are
40 made, and such suppliers shall execute invoices covering the same bearing
41 the number of such certificate. Upon completion of the project the
42 contractor shall furnish to the political subdivision, district described in
43 subsection (s), hospital or public hospital authority, school, educational

1 institution or department of corrections concerned a sworn statement, on a
2 form to be provided by the director of taxation, that all purchases so made
3 were entitled to exemption under this subsection. As an alternative to the
4 foregoing procedure, any such contracting entity may apply to the
5 secretary of revenue for agent status for the sole purpose of issuing and
6 furnishing project exemption certificates to contractors pursuant to rules
7 and regulations adopted by the secretary establishing conditions and
8 standards for the granting and maintaining of such status. All invoices
9 shall be held by the contractor for a period of five years and shall be
10 subject to audit by the director of taxation. If any materials purchased
11 under such a certificate are found not to have been incorporated in the
12 building or other project or not to have been returned for credit or the sales
13 or compensating tax otherwise imposed upon such materials that will not
14 be so incorporated in the building or other project reported and paid by
15 such contractor to the director of taxation not later than the 20th day of the
16 month following the close of the month in which it shall be determined
17 that such materials will not be used for the purpose for which such
18 certificate was issued, the political subdivision, district described in
19 subsection (s), hospital or public hospital authority, school, educational
20 institution or the contractor contracting with the department of corrections
21 for a correctional institution concerned shall be liable for tax on all
22 materials purchased for the project, and upon payment thereof it may
23 recover the same from the contractor together with reasonable attorney
24 fees. Any contractor or any agent, employee or subcontractor thereof, who
25 shall use or otherwise dispose of any materials purchased under such a
26 certificate for any purpose other than that for which such a certificate is
27 issued without the payment of the sales or compensating tax otherwise
28 imposed upon such materials, shall be guilty of a misdemeanor and, upon
29 conviction therefor, shall be subject to the penalties provided for in K.S.A.
30 79-3615(h), and amendments thereto;

31 (e) all sales of tangible personal property or services purchased by a
32 contractor for the erection, repair or enlargement of buildings or other
33 projects for the government of the United States, its agencies or
34 instrumentalities, that would be exempt from taxation if purchased directly
35 by the government of the United States, its agencies or instrumentalities.
36 When the government of the United States, its agencies or
37 instrumentalities shall contract for the erection, repair, or enlargement of
38 any building or other project, it shall obtain from the state and furnish to
39 the contractor an exemption certificate for the project involved, and the
40 contractor may purchase materials for incorporation in such project. The
41 contractor shall furnish the number of such certificates to all suppliers
42 from whom such purchases are made, and such suppliers shall execute
43 invoices covering the same bearing the number of such certificate. Upon

1 completion of the project the contractor shall furnish to the government of
2 the United States, its agencies or instrumentalities concerned a sworn
3 statement, on a form to be provided by the director of taxation, that all
4 purchases so made were entitled to exemption under this subsection. As an
5 alternative to the foregoing procedure, any such contracting entity may
6 apply to the secretary of revenue for agent status for the sole purpose of
7 issuing and furnishing project exemption certificates to contractors
8 pursuant to rules and regulations adopted by the secretary establishing
9 conditions and standards for the granting and maintaining of such status.
10 All invoices shall be held by the contractor for a period of five years and
11 shall be subject to audit by the director of taxation. Any contractor or any
12 agent, employee or subcontractor thereof, who shall use or otherwise
13 dispose of any materials purchased under such a certificate for any purpose
14 other than that for which such a certificate is issued without the payment
15 of the sales or compensating tax otherwise imposed upon such materials,
16 shall be guilty of a misdemeanor and, upon conviction therefor, shall be
17 subject to the penalties provided for in K.S.A. 79-3615(h), and
18 amendments thereto;

19 (f) tangible personal property purchased by a railroad or public utility
20 for consumption or movement directly and immediately in interstate
21 commerce;

22 (g) sales of aircraft including remanufactured and modified aircraft
23 sold to persons using directly or through an authorized agent such aircraft
24 as certified or licensed carriers of persons or property in interstate or
25 foreign commerce under authority of the laws of the United States or any
26 foreign government or sold to any foreign government or agency or
27 instrumentality of such foreign government and all sales of aircraft for use
28 outside of the United States and sales of aircraft repair, modification and
29 replacement parts and sales of services employed in the remanufacture,
30 modification and repair of aircraft;

31 (h) all rentals of nonsectarian textbooks by public or private
32 elementary or secondary schools;

33 (i) the lease or rental of all films, records, tapes, or any type of sound
34 or picture transcriptions used by motion picture exhibitors;

35 (j) meals served without charge or food used in the preparation of
36 such meals to employees of any restaurant, eating house, dining car, hotel,
37 drugstore or other place where meals or drinks are regularly sold to the
38 public if such employees' duties are related to the furnishing or sale of
39 such meals or drinks;

40 (k) any motor vehicle, semitrailer or pole trailer, as such terms are
41 defined by K.S.A. 8-126, and amendments thereto, or aircraft sold and
42 delivered in this state to a bona fide resident of another state, which motor
43 vehicle, semitrailer, pole trailer or aircraft is not to be registered or based

1 in this state and which vehicle, semitrailer, pole trailer or aircraft will not
2 remain in this state more than 10 days;

3 (l) all isolated or occasional sales of tangible personal property,
4 services, substances or things, except isolated or occasional sale of motor
5 vehicles specifically taxed under the provisions of K.S.A. 79-3603(o), and
6 amendments thereto;

7 (m) all sales of tangible personal property that become an ingredient
8 or component part of tangible personal property or services produced,
9 manufactured or compounded for ultimate sale at retail within or without
10 the state of Kansas; and any such producer, manufacturer or compounder
11 may obtain from the director of taxation and furnish to the supplier an
12 exemption certificate number for tangible personal property for use as an
13 ingredient or component part of the property or services produced,
14 manufactured or compounded;

15 (n) all sales of tangible personal property that is consumed in the
16 production, manufacture, processing, mining, drilling, refining or
17 compounding of tangible personal property, the treating of by-products or
18 wastes derived from any such production process, the providing of
19 services or the irrigation of crops for ultimate sale at retail within or
20 without the state of Kansas; and any purchaser of such property may
21 obtain from the director of taxation and furnish to the supplier an
22 exemption certificate number for tangible personal property for
23 consumption in such production, manufacture, processing, mining,
24 drilling, refining, compounding, treating, irrigation and in providing such
25 services;

26 (o) all sales of animals, fowl and aquatic plants and animals, the
27 primary purpose of which is use in agriculture or aquaculture, as defined in
28 K.S.A. 47-1901, and amendments thereto, the production of food for
29 human consumption, the production of animal, dairy, poultry or aquatic
30 plant and animal products, fiber or fur, or the production of offspring for
31 use for any such purpose or purposes;

32 (p) all sales of drugs dispensed pursuant to a prescription order by a
33 licensed practitioner or a mid-level practitioner as defined by K.S.A. 65-
34 1626, and amendments thereto. As used in this subsection, "drug" means a
35 compound, substance or preparation and any component of a compound,
36 substance or preparation, other than food and food ingredients, dietary
37 supplements or alcoholic beverages, recognized in the official United
38 States pharmacopeia, official homeopathic pharmacopoeia of the United
39 States or official national formulary, and supplement to any of them,
40 intended for use in the diagnosis, cure, mitigation, treatment or prevention
41 of disease or intended to affect the structure or any function of the body,
42 except that for taxable years commencing after December 31, 2013, this
43 subsection shall not apply to any sales of drugs used in the performance or

1 induction of an abortion, as defined in ~~K.S.A. 65-6701~~ *section 4*, and
2 amendments thereto;

3 (q) all sales of insulin dispensed by a person licensed by the state
4 board of pharmacy to a person for treatment of diabetes at the direction of
5 a person licensed to practice medicine by the state board of healing arts;

6 (r) all sales of oxygen delivery equipment, kidney dialysis equipment,
7 enteral feeding systems, prosthetic devices and mobility enhancing
8 equipment prescribed in writing by a person licensed to practice the
9 healing arts, dentistry or optometry, and in addition to such sales, all sales
10 of hearing aids, as defined by K.S.A. 74-5807(c), and amendments thereto,
11 and repair and replacement parts therefor, including batteries, by a person
12 licensed in the practice of dispensing and fitting hearing aids pursuant to
13 the provisions of K.S.A. 74-5808, and amendments thereto. For the
14 purposes of this subsection: (1) "Mobility enhancing equipment" means
15 equipment including repair and replacement parts to same, but does not
16 include durable medical equipment, which is primarily and customarily
17 used to provide or increase the ability to move from one place to another
18 and which is appropriate for use either in a home or a motor vehicle; is not
19 generally used by persons with normal mobility; and does not include any
20 motor vehicle or equipment on a motor vehicle normally provided by a
21 motor vehicle manufacturer; and (2) "prosthetic device" means a
22 replacement, corrective or supportive device including repair and
23 replacement parts for same worn on or in the body to artificially replace a
24 missing portion of the body, prevent or correct physical deformity or
25 malfunction or support a weak or deformed portion of the body;

26 (s) except as provided in K.S.A. 82a-2101, and amendments thereto,
27 all sales of tangible personal property or services purchased directly or
28 indirectly by a groundwater management district organized or operating
29 under the authority of K.S.A. 82a-1020 et seq., and amendments thereto,
30 by a rural water district organized or operating under the authority of
31 K.S.A. 82a-612, and amendments thereto, or by a water supply district
32 organized or operating under the authority of K.S.A. 19-3501 et seq., 19-
33 3522 et seq. or 19-3545, and amendments thereto, which property or
34 services are used in the construction activities, operation or maintenance of
35 the district;

36 (t) all sales of farm machinery and equipment or aquaculture
37 machinery and equipment, repair and replacement parts therefor and
38 services performed in the repair and maintenance of such machinery and
39 equipment. For the purposes of this subsection the term "farm machinery
40 and equipment or aquaculture machinery and equipment" shall include a
41 work-site utility vehicle, as defined in K.S.A. 8-126, and amendments
42 thereto, and is equipped with a bed or cargo box for hauling materials, and
43 shall also include machinery and equipment used in the operation of

1 Christmas tree farming but shall not include any passenger vehicle, truck,
2 truck tractor, trailer, semitrailer or pole trailer, other than a farm trailer, as
3 such terms are defined by K.S.A. 8-126, and amendments thereto. "Farm
4 machinery and equipment" includes precision farming equipment that is
5 portable or is installed or purchased to be installed on farm machinery and
6 equipment. "Precision farming equipment" includes the following items
7 used only in computer-assisted farming, ranching or aquaculture
8 production operations: Soil testing sensors, yield monitors, computers,
9 monitors, software, global positioning and mapping systems, guiding
10 systems, modems, data communications equipment and any necessary
11 mounting hardware, wiring and antennas. Each purchaser of farm
12 machinery and equipment or aquaculture machinery and equipment
13 exempted herein must certify in writing on the copy of the invoice or sales
14 ticket to be retained by the seller that the farm machinery and equipment
15 or aquaculture machinery and equipment purchased will be used only in
16 farming, ranching or aquaculture production. Farming or ranching shall
17 include the operation of a feedlot and farm and ranch work for hire and the
18 operation of a nursery;

19 (u) all leases or rentals of tangible personal property used as a
20 dwelling if such tangible personal property is leased or rented for a period
21 of more than 28 consecutive days;

22 (v) all sales of tangible personal property to any contractor for use in
23 preparing meals for delivery to homebound elderly persons over 60 years
24 of age and to homebound disabled persons or to be served at a group-
25 sitting at a location outside of the home to otherwise homebound elderly
26 persons over 60 years of age and to otherwise homebound disabled
27 persons, as all or part of any food service project funded in whole or in
28 part by government or as part of a private nonprofit food service project
29 available to all such elderly or disabled persons residing within an area of
30 service designated by the private nonprofit organization, and all sales of
31 tangible personal property for use in preparing meals for consumption by
32 indigent or homeless individuals whether or not such meals are consumed
33 at a place designated for such purpose, and all sales of food products by or
34 on behalf of any such contractor or organization for any such purpose;

35 (w) all sales of natural gas, electricity, heat and water delivered
36 through mains, lines or pipes: (1) To residential premises for
37 noncommercial use by the occupant of such premises; (2) for agricultural
38 use and also, for such use, all sales of propane gas; (3) for use in the
39 severing of oil; and (4) to any property which is exempt from property
40 taxation pursuant to K.S.A. 79-201b, Second through Sixth. As used in this
41 paragraph, "severing" means the same as defined in K.S.A. 79-4216(k),
42 and amendments thereto. For all sales of natural gas, electricity and heat
43 delivered through mains, lines or pipes pursuant to the provisions of

1 subsection (w)(1) and (w)(2), the provisions of this subsection shall expire
2 on December 31, 2005;

3 (x) all sales of propane gas, LP-gas, coal, wood and other fuel sources
4 for the production of heat or lighting for noncommercial use of an
5 occupant of residential premises occurring prior to January 1, 2006;

6 (y) all sales of materials and services used in the repairing, servicing,
7 altering, maintaining, manufacturing, remanufacturing, or modification of
8 railroad rolling stock for use in interstate or foreign commerce under
9 authority of the laws of the United States;

10 (z) all sales of tangible personal property and services purchased
11 directly by a port authority or by a contractor therefor as provided by the
12 provisions of K.S.A. 12-3418, and amendments thereto;

13 (aa) all sales of materials and services applied to equipment that is
14 transported into the state from without the state for repair, service,
15 alteration, maintenance, remanufacture or modification and that is
16 subsequently transported outside the state for use in the transmission of
17 liquids or natural gas by means of pipeline in interstate or foreign
18 commerce under authority of the laws of the United States;

19 (bb) all sales of used mobile homes or manufactured homes. As used
20 in this subsection: (1) "Mobile homes" and "manufactured homes" mean
21 the same as defined in K.S.A. 58-4202, and amendments thereto; and (2)
22 "sales of used mobile homes or manufactured homes" means sales other
23 than the original retail sale thereof;

24 (cc) all sales of tangible personal property or services purchased prior
25 to January 1, 2012, except as otherwise provided, for the purpose of and in
26 conjunction with constructing, reconstructing, enlarging or remodeling a
27 business or retail business that meets the requirements established in
28 K.S.A. 74-50,115, and amendments thereto, and the sale and installation of
29 machinery and equipment purchased for installation at any such business
30 or retail business, and all sales of tangible personal property or services
31 purchased on or after January 1, 2012, for the purpose of and in
32 conjunction with constructing, reconstructing, enlarging or remodeling a
33 business that meets the requirements established in K.S.A. 74-50,115(e),
34 and amendments thereto, and the sale and installation of machinery and
35 equipment purchased for installation at any such business. When a person
36 shall contract for the construction, reconstruction, enlargement or
37 remodeling of any such business or retail business, such person shall
38 obtain from the state and furnish to the contractor an exemption certificate
39 for the project involved, and the contractor may purchase materials,
40 machinery and equipment for incorporation in such project. The contractor
41 shall furnish the number of such certificates to all suppliers from whom
42 such purchases are made, and such suppliers shall execute invoices
43 covering the same bearing the number of such certificate. Upon

1 completion of the project the contractor shall furnish to the owner of the
2 business or retail business a sworn statement, on a form to be provided by
3 the director of taxation, that all purchases so made were entitled to
4 exemption under this subsection. All invoices shall be held by the
5 contractor for a period of five years and shall be subject to audit by the
6 director of taxation. Any contractor or any agent, employee or
7 subcontractor thereof, who shall use or otherwise dispose of any materials,
8 machinery or equipment purchased under such a certificate for any
9 purpose other than that for which such a certificate is issued without the
10 payment of the sales or compensating tax otherwise imposed thereon, shall
11 be guilty of a misdemeanor and, upon conviction therefor, shall be subject
12 to the penalties provided for in K.S.A. 79-3615(h), and amendments
13 thereto. As used in this subsection, "business" and "retail business" mean
14 the same as defined in K.S.A. 74-50,114, and amendments thereto. Project
15 exemption certificates that have been previously issued under this
16 subsection by the department of revenue pursuant to K.S.A. 74-50,115,
17 and amendments thereto, but not including K.S.A. 74-50,115(e), and
18 amendments thereto, prior to January 1, 2012, and have not expired will be
19 effective for the term of the project or two years from the effective date of
20 the certificate, whichever occurs earlier. Project exemption certificates that
21 are submitted to the department of revenue prior to January 1, 2012, and
22 are found to qualify will be issued a project exemption certificate that will
23 be effective for a two-year period or for the term of the project, whichever
24 occurs earlier;

25 (dd) all sales of tangible personal property purchased with food
26 stamps issued by the United States department of agriculture;

27 (ee) all sales of lottery tickets and shares made as part of a lottery
28 operated by the state of Kansas;

29 (ff) on and after July 1, 1988, all sales of new mobile homes or
30 manufactured homes to the extent of 40% of the gross receipts, determined
31 without regard to any trade-in allowance, received from such sale. As used
32 in this subsection, "mobile homes" and "manufactured homes" mean the
33 same as defined in K.S.A. 58-4202, and amendments thereto;

34 (gg) all sales of tangible personal property purchased in accordance
35 with vouchers issued pursuant to the federal special supplemental food
36 program for women, infants and children;

37 (hh) all sales of medical supplies and equipment, including durable
38 medical equipment, purchased directly by a nonprofit skilled nursing home
39 or nonprofit intermediate nursing care home, as defined by K.S.A. 39-923,
40 and amendments thereto, for the purpose of providing medical services to
41 residents thereof. This exemption shall not apply to tangible personal
42 property customarily used for human habitation purposes. As used in this
43 subsection, "durable medical equipment" means equipment including

1 repair and replacement parts for such equipment, that can withstand
2 repeated use, is primarily and customarily used to serve a medical purpose,
3 generally is not useful to a person in the absence of illness or injury and is
4 not worn in or on the body, but does not include mobility enhancing
5 equipment as defined in subsection (r), oxygen delivery equipment, kidney
6 dialysis equipment or enteral feeding systems;

7 (ii) all sales of tangible personal property purchased directly by a
8 nonprofit organization for nonsectarian comprehensive multidiscipline
9 youth development programs and activities provided or sponsored by such
10 organization, and all sales of tangible personal property by or on behalf of
11 any such organization. This exemption shall not apply to tangible personal
12 property customarily used for human habitation purposes;

13 (jj) all sales of tangible personal property or services, including the
14 renting and leasing of tangible personal property, purchased directly on
15 behalf of a community-based facility for people with intellectual disability
16 or mental health center organized pursuant to K.S.A. 19-4001 et seq., and
17 amendments thereto, and licensed in accordance with the provisions of
18 K.S.A. 39-2001 et seq., and amendments thereto, and all sales of tangible
19 personal property or services purchased by contractors during the time
20 period from July, 2003, through June, 2006, for the purpose of
21 constructing, equipping, maintaining or furnishing a new facility for a
22 community-based facility for people with intellectual disability or mental
23 health center located in Riverton, Cherokee County, Kansas, that would
24 have been eligible for sales tax exemption pursuant to this subsection if
25 purchased directly by such facility or center. This exemption shall not
26 apply to tangible personal property customarily used for human habitation
27 purposes;

28 (kk) (1) (A) all sales of machinery and equipment that are used in this
29 state as an integral or essential part of an integrated production operation
30 by a manufacturing or processing plant or facility;

31 (B) all sales of installation, repair and maintenance services
32 performed on such machinery and equipment; and

33 (C) all sales of repair and replacement parts and accessories
34 purchased for such machinery and equipment.

35 (2) For purposes of this subsection:

36 (A) "Integrated production operation" means an integrated series of
37 operations engaged in at a manufacturing or processing plant or facility to
38 process, transform or convert tangible personal property by physical,
39 chemical or other means into a different form, composition or character
40 from that in which it originally existed. Integrated production operations
41 shall include: (i) Production line operations, including packaging
42 operations; (ii) preproduction operations to handle, store and treat raw
43 materials; (iii) post production handling, storage, warehousing and

1 distribution operations; and (iv) waste, pollution and environmental
2 control operations, if any;

3 (B) "production line" means the assemblage of machinery and
4 equipment at a manufacturing or processing plant or facility where the
5 actual transformation or processing of tangible personal property occurs;

6 (C) "manufacturing or processing plant or facility" means a single,
7 fixed location owned or controlled by a manufacturing or processing
8 business that consists of one or more structures or buildings in a
9 contiguous area where integrated production operations are conducted to
10 manufacture or process tangible personal property to be ultimately sold at
11 retail. Such term shall not include any facility primarily operated for the
12 purpose of conveying or assisting in the conveyance of natural gas,
13 electricity, oil or water. A business may operate one or more manufacturing
14 or processing plants or facilities at different locations to manufacture or
15 process a single product of tangible personal property to be ultimately sold
16 at retail;

17 (D) "manufacturing or processing business" means a business that
18 utilizes an integrated production operation to manufacture, process,
19 fabricate, finish or assemble items for wholesale and retail distribution as
20 part of what is commonly regarded by the general public as an industrial
21 manufacturing or processing operation or an agricultural commodity
22 processing operation. (i) Industrial manufacturing or processing operations
23 include, by way of illustration but not of limitation, the fabrication of
24 automobiles, airplanes, machinery or transportation equipment, the
25 fabrication of metal, plastic, wood or paper products, electricity power
26 generation, water treatment, petroleum refining, chemical production,
27 wholesale bottling, newspaper printing, ready mixed concrete production,
28 and the remanufacturing of used parts for wholesale or retail sale. Such
29 processing operations shall include operations at an oil well, gas well,
30 mine or other excavation site where the oil, gas, minerals, coal, clay, stone,
31 sand or gravel that has been extracted from the earth is cleaned, separated,
32 crushed, ground, milled, screened, washed or otherwise treated or prepared
33 before its transmission to a refinery or before any other wholesale or retail
34 distribution. (ii) Agricultural commodity processing operations include, by
35 way of illustration but not of limitation, meat packing, poultry slaughtering
36 and dressing, processing and packaging farm and dairy products in sealed
37 containers for wholesale and retail distribution, feed grinding, grain
38 milling, frozen food processing, and grain handling, cleaning, blending,
39 fumigation, drying and aeration operations engaged in by grain elevators
40 or other grain storage facilities. (iii) Manufacturing or processing
41 businesses do not include, by way of illustration but not of limitation,
42 nonindustrial businesses whose operations are primarily retail and that
43 produce or process tangible personal property as an incidental part of

1 conducting the retail business, such as retailers who bake, cook or prepare
2 food products in the regular course of their retail trade, grocery stores,
3 meat lockers and meat markets that butcher or dress livestock or poultry in
4 the regular course of their retail trade, contractors who alter, service, repair
5 or improve real property, and retail businesses that clean, service or
6 refurbish and repair tangible personal property for its owner;

7 (E) "repair and replacement parts and accessories" means all parts
8 and accessories for exempt machinery and equipment, including, but not
9 limited to, dies, jigs, molds, patterns and safety devices that are attached to
10 exempt machinery or that are otherwise used in production, and parts and
11 accessories that require periodic replacement such as belts, drill bits,
12 grinding wheels, grinding balls, cutting bars, saws, refractory brick and
13 other refractory items for exempt kiln equipment used in production
14 operations;

15 (F) "primary" or "primarily" mean more than 50% of the time.

16 (3) For purposes of this subsection, machinery and equipment shall
17 be deemed to be used as an integral or essential part of an integrated
18 production operation when used to:

19 (A) Receive, transport, convey, handle, treat or store raw materials in
20 preparation of its placement on the production line;

21 (B) transport, convey, handle or store the property undergoing
22 manufacturing or processing at any point from the beginning of the
23 production line through any warehousing or distribution operation of the
24 final product that occurs at the plant or facility;

25 (C) act upon, effect, promote or otherwise facilitate a physical change
26 to the property undergoing manufacturing or processing;

27 (D) guide, control or direct the movement of property undergoing
28 manufacturing or processing;

29 (E) test or measure raw materials, the property undergoing
30 manufacturing or processing or the finished product, as a necessary part of
31 the manufacturer's integrated production operations;

32 (F) plan, manage, control or record the receipt and flow of inventories
33 of raw materials, consumables and component parts, the flow of the
34 property undergoing manufacturing or processing and the management of
35 inventories of the finished product;

36 (G) produce energy for, lubricate, control the operating of or
37 otherwise enable the functioning of other production machinery and
38 equipment and the continuation of production operations;

39 (H) package the property being manufactured or processed in a
40 container or wrapping in which such property is normally sold or
41 transported;

42 (I) transmit or transport electricity, coke, gas, water, steam or similar
43 substances used in production operations from the point of generation, if

1 produced by the manufacturer or processor at the plant site, to that
2 manufacturer's production operation; or, if purchased or delivered from
3 off-site, from the point where the substance enters the site of the plant or
4 facility to that manufacturer's production operations;

5 (J) cool, heat, filter, refine or otherwise treat water, steam, acid, oil,
6 solvents or other substances that are used in production operations;

7 (K) provide and control an environment required to maintain certain
8 levels of air quality, humidity or temperature in special and limited areas
9 of the plant or facility, where such regulation of temperature or humidity is
10 part of and essential to the production process;

11 (L) treat, transport or store waste or other byproducts of production
12 operations at the plant or facility; or

13 (M) control pollution at the plant or facility where the pollution is
14 produced by the manufacturing or processing operation.

15 (4) The following machinery, equipment and materials shall be
16 deemed to be exempt even though it may not otherwise qualify as
17 machinery and equipment used as an integral or essential part of an
18 integrated production operation: (A) Computers and related peripheral
19 equipment that are utilized by a manufacturing or processing business for
20 engineering of the finished product or for research and development or
21 product design; (B) machinery and equipment that is utilized by a
22 manufacturing or processing business to manufacture or rebuild tangible
23 personal property that is used in manufacturing or processing operations,
24 including tools, dies, molds, forms and other parts of qualifying machinery
25 and equipment; (C) portable plants for aggregate concrete, bulk cement
26 and asphalt including cement mixing drums to be attached to a motor
27 vehicle; (D) industrial fixtures, devices, support facilities and special
28 foundations necessary for manufacturing and production operations, and
29 materials and other tangible personal property sold for the purpose of
30 fabricating such fixtures, devices, facilities and foundations. An exemption
31 certificate for such purchases shall be signed by the manufacturer or
32 processor. If the fabricator purchases such material, the fabricator shall
33 also sign the exemption certificate; (E) a manufacturing or processing
34 business' laboratory equipment that is not located at the plant or facility,
35 but that would otherwise qualify for exemption under subsection (3)(E);
36 (F) all machinery and equipment used in surface mining activities as
37 described in K.S.A. 49-601 et seq., and amendments thereto, beginning
38 from the time a reclamation plan is filed to the acceptance of the
39 completed final site reclamation.

40 (5) "Machinery and equipment used as an integral or essential part of
41 an integrated production operation" shall not include:

42 (A) Machinery and equipment used for nonproduction purposes,
43 including, but not limited to, machinery and equipment used for plant

1 security, fire prevention, first aid, accounting, administration, record
2 keeping, advertising, marketing, sales or other related activities, plant
3 cleaning, plant communications and employee work scheduling;

4 (B) machinery, equipment and tools used primarily in maintaining
5 and repairing any type of machinery and equipment or the building and
6 plant;

7 (C) transportation, transmission and distribution equipment not
8 primarily used in a production, warehousing or material handling
9 operation at the plant or facility, including the means of conveyance of
10 natural gas, electricity, oil or water, and equipment related thereto, located
11 outside the plant or facility;

12 (D) office machines and equipment including computers and related
13 peripheral equipment not used directly and primarily to control or measure
14 the manufacturing process;

15 (E) furniture and other furnishings;

16 (F) buildings, other than exempt machinery and equipment that is
17 permanently affixed to or becomes a physical part of the building, and any
18 other part of real estate that is not otherwise exempt;

19 (G) building fixtures that are not integral to the manufacturing
20 operation, such as utility systems for heating, ventilation, air conditioning,
21 communications, plumbing or electrical;

22 (H) machinery and equipment used for general plant heating, cooling
23 and lighting;

24 (I) motor vehicles that are registered for operation on public
25 highways; or

26 (J) employee apparel, except safety and protective apparel that is
27 purchased by an employer and furnished gratuitously to employees who
28 are involved in production or research activities.

29 (6) Paragraphs (3) and (5) shall not be construed as exclusive listings
30 of the machinery and equipment that qualify or do not qualify as an
31 integral or essential part of an integrated production operation. When
32 machinery or equipment is used as an integral or essential part of
33 production operations part of the time and for nonproduction purposes at
34 other times, the primary use of the machinery or equipment shall
35 determine whether or not such machinery or equipment qualifies for
36 exemption.

37 (7) The secretary of revenue shall adopt rules and regulations
38 necessary to administer the provisions of this subsection;

39 (II) all sales of educational materials purchased for distribution to the
40 public at no charge by a nonprofit corporation organized for the purpose of
41 encouraging, fostering and conducting programs for the improvement of
42 public health, ~~except that for taxable years commencing after December~~
43 ~~31, 2013, this subsection shall not apply to any sales of such materials~~

1 ~~purchased by a nonprofit corporation which performs any abortion, as~~
2 ~~defined in K.S.A. 65-6701, and amendments thereto;~~

3 (mm) all sales of seeds and tree seedlings; fertilizers, insecticides,
4 herbicides, germicides, pesticides and fungicides; and services, purchased
5 and used for the purpose of producing plants in order to prevent soil
6 erosion on land devoted to agricultural use;

7 (nn) except as otherwise provided in this act, all sales of services
8 rendered by an advertising agency or licensed broadcast station or any
9 member, agent or employee thereof;

10 (oo) all sales of tangible personal property purchased by a community
11 action group or agency for the exclusive purpose of repairing or
12 weatherizing housing occupied by low-income individuals;

13 (pp) all sales of drill bits and explosives actually utilized in the
14 exploration and production of oil or gas;

15 (qq) all sales of tangible personal property and services purchased by
16 a nonprofit museum or historical society or any combination thereof,
17 including a nonprofit organization that is organized for the purpose of
18 stimulating public interest in the exploration of space by providing
19 educational information, exhibits and experiences, that is exempt from
20 federal income taxation pursuant to section 501(c)(3) of the federal
21 internal revenue code of 1986;

22 (rr) all sales of tangible personal property that will admit the
23 purchaser thereof to any annual event sponsored by a nonprofit
24 organization that is exempt from federal income taxation pursuant to
25 section 501(c)(3) of the federal internal revenue code of 1986, ~~except that~~
26 ~~for taxable years commencing after December 31, 2013, this subsection~~
27 ~~shall not apply to any sales of such tangible personal property purchased~~
28 ~~by a nonprofit organization which performs any abortion, as defined in~~
29 ~~K.S.A. 65-6701, and amendments thereto;~~

30 (ss) all sales of tangible personal property and services purchased by
31 a public broadcasting station licensed by the federal communications
32 commission as a noncommercial educational television or radio station;

33 (tt) all sales of tangible personal property and services purchased by
34 or on behalf of a not-for-profit corporation that is exempt from federal
35 income taxation pursuant to section 501(c)(3) of the federal internal
36 revenue code of 1986, for the sole purpose of constructing a Kansas
37 Korean War memorial;

38 (uu) all sales of tangible personal property and services purchased by
39 or on behalf of any rural volunteer fire-fighting organization for use
40 exclusively in the performance of its duties and functions;

41 (vv) all sales of tangible personal property purchased by any of the
42 following organizations that are exempt from federal income taxation
43 pursuant to section 501(c)(3) of the federal internal revenue code of 1986,

1 for the following purposes, and all sales of any such property by or on
2 behalf of any such organization for any such purpose:

3 (1) The American heart association, Kansas affiliate, inc. for the
4 purposes of providing education, training, certification in emergency
5 cardiac care, research and other related services to reduce disability and
6 death from cardiovascular diseases and stroke;

7 (2) the Kansas alliance for the mentally ill, inc. for the purpose of
8 advocacy for persons with mental illness and to education, research and
9 support for their families;

10 (3) the Kansas mental illness awareness council for the purposes of
11 advocacy for persons who are mentally ill and for education, research and
12 support for them and their families;

13 (4) the American diabetes association Kansas affiliate, inc. for the
14 purpose of eliminating diabetes through medical research, public education
15 focusing on disease prevention and education, patient education including
16 information on coping with diabetes, and professional education and
17 training;

18 (5) the American lung association of Kansas, inc. for the purpose of
19 eliminating all lung diseases through medical research, public education
20 including information on coping with lung diseases, professional education
21 and training related to lung disease and other related services to reduce the
22 incidence of disability and death due to lung disease;

23 (6) the Kansas chapters of the Alzheimer's disease and related
24 disorders association, inc. for the purpose of providing assistance and
25 support to persons in Kansas with Alzheimer's disease, and their families
26 and caregivers;

27 (7) the Kansas chapters of the Parkinson's disease association for the
28 purpose of eliminating Parkinson's disease through medical research and
29 public and professional education related to such disease;

30 (8) the national kidney foundation of Kansas and western Missouri
31 for the purpose of eliminating kidney disease through medical research
32 and public and private education related to such disease;

33 (9) the heartstrings community foundation for the purpose of
34 providing training, employment and activities for adults with
35 developmental disabilities;

36 (10) the cystic fibrosis foundation, heart of America chapter, for the
37 purposes of assuring the development of the means to cure and control
38 cystic fibrosis and improving the quality of life for those with the disease;

39 (11) the spina bifida association of Kansas for the purpose of
40 providing financial, educational and practical aid to families and
41 individuals with spina bifida. Such aid includes, but is not limited to,
42 funding for medical devices, counseling and medical educational
43 opportunities;

- 1 (12) the CHWC, Inc., for the purpose of rebuilding urban core
2 neighborhoods through the construction of new homes, acquiring and
3 renovating existing homes and other related activities, and promoting
4 economic development in such neighborhoods;
- 5 (13) the cross-lines cooperative council for the purpose of providing
6 social services to low income individuals and families;
- 7 (14) the dreams work, inc., for the purpose of providing young adult
8 day services to individuals with developmental disabilities and assisting
9 families in avoiding institutional or nursing home care for a
10 developmentally disabled member of their family;
- 11 (15) the KSDS, Inc., for the purpose of promoting the independence
12 and inclusion of people with disabilities as fully participating and
13 contributing members of their communities and society through the
14 training and providing of guide and service dogs to people with
15 disabilities, and providing disability education and awareness to the
16 general public;
- 17 (16) the lyme association of greater Kansas City, Inc., for the purpose
18 of providing support to persons with lyme disease and public education
19 relating to the prevention, treatment and cure of lyme disease;
- 20 (17) the dream factory, inc., for the purpose of granting the dreams of
21 children with critical and chronic illnesses;
- 22 (18) the Ottawa Suzuki strings, inc., for the purpose of providing
23 students and families with education and resources necessary to enable
24 each child to develop fine character and musical ability to the fullest
25 potential;
- 26 (19) the international association of lions clubs for the purpose of
27 creating and fostering a spirit of understanding among all people for
28 humanitarian needs by providing voluntary services through community
29 involvement and international cooperation;
- 30 (20) the Johnson county young matrons, inc., for the purpose of
31 promoting a positive future for members of the community through
32 volunteerism, financial support and education through the efforts of an all
33 volunteer organization;
- 34 (21) the American cancer society, inc., for the purpose of eliminating
35 cancer as a major health problem by preventing cancer, saving lives and
36 diminishing suffering from cancer, through research, education, advocacy
37 and service;
- 38 (22) the community services of Shawnee, inc., for the purpose of
39 providing food and clothing to those in need;
- 40 (23) the angel babies association, for the purpose of providing
41 assistance, support and items of necessity to teenage mothers and their
42 babies; and
- 43 (24) the Kansas fairgrounds foundation for the purpose of the

1 preservation, renovation and beautification of the Kansas state fairgrounds;
2 (ww) all sales of tangible personal property purchased by the habitat
3 for humanity for the exclusive use of being incorporated within a housing
4 project constructed by such organization;

5 (xx) all sales of tangible personal property and services purchased by
6 a nonprofit zoo that is exempt from federal income taxation pursuant to
7 section 501(c)(3) of the federal internal revenue code of 1986, or on behalf
8 of such zoo by an entity itself exempt from federal income taxation
9 pursuant to section 501(c)(3) of the federal internal revenue code of 1986
10 contracted with to operate such zoo and all sales of tangible personal
11 property or services purchased by a contractor for the purpose of
12 constructing, equipping, reconstructing, maintaining, repairing, enlarging,
13 furnishing or remodeling facilities for any nonprofit zoo that would be
14 exempt from taxation under the provisions of this section if purchased
15 directly by such nonprofit zoo or the entity operating such zoo. Nothing in
16 this subsection shall be deemed to exempt the purchase of any construction
17 machinery, equipment or tools used in the constructing, equipping,
18 reconstructing, maintaining, repairing, enlarging, furnishing or remodeling
19 facilities for any nonprofit zoo. When any nonprofit zoo shall contract for
20 the purpose of constructing, equipping, reconstructing, maintaining,
21 repairing, enlarging, furnishing or remodeling facilities, it shall obtain
22 from the state and furnish to the contractor an exemption certificate for
23 the project involved, and the contractor may purchase materials for
24 incorporation in such project. The contractor shall furnish the number of
25 such certificate to all suppliers from whom such purchases are made, and
26 such suppliers shall execute invoices covering the same bearing the
27 number of such certificate. Upon completion of the project the contractor
28 shall furnish to the nonprofit zoo concerned a sworn statement, on a form
29 to be provided by the director of taxation, that all purchases so made were
30 entitled to exemption under this subsection. All invoices shall be held by
31 the contractor for a period of five years and shall be subject to audit by the
32 director of taxation. If any materials purchased under such a certificate are
33 found not to have been incorporated in the building or other project or not
34 to have been returned for credit or the sales or compensating tax otherwise
35 imposed upon such materials that will not be so incorporated in the
36 building or other project reported and paid by such contractor to the
37 director of taxation not later than the 20th day of the month following the
38 close of the month in which it shall be determined that such materials will
39 not be used for the purpose for which such certificate was issued, the
40 nonprofit zoo concerned shall be liable for tax on all materials purchased
41 for the project, and upon payment thereof it may recover the same from
42 the contractor together with reasonable attorney fees. Any contractor or
43 any agent, employee or subcontractor thereof, who shall use or otherwise

1 dispose of any materials purchased under such a certificate for any purpose
2 other than that for which such a certificate is issued without the payment
3 of the sales or compensating tax otherwise imposed upon such materials,
4 shall be guilty of a misdemeanor and, upon conviction therefor, shall be
5 subject to the penalties provided for in K.S.A. 79-3615(h), and
6 amendments thereto;

7 (yy) all sales of tangible personal property and services purchased by
8 a parent-teacher association or organization, and all sales of tangible
9 personal property by or on behalf of such association or organization;

10 (zz) all sales of machinery and equipment purchased by over-the-air,
11 free access radio or television station that is used directly and primarily for
12 the purpose of producing a broadcast signal or is such that the failure of
13 the machinery or equipment to operate would cause broadcasting to cease.
14 For purposes of this subsection, machinery and equipment shall include,
15 but not be limited to, that required by rules and regulations of the federal
16 communications commission, and all sales of electricity which are
17 essential or necessary for the purpose of producing a broadcast signal or is
18 such that the failure of the electricity would cause broadcasting to cease;

19 (aaa) all sales of tangible personal property and services purchased by
20 a religious organization that is exempt from federal income taxation
21 pursuant to section 501(c)(3) of the federal internal revenue code, and used
22 exclusively for religious purposes, and all sales of tangible personal
23 property or services purchased by a contractor for the purpose of
24 constructing, equipping, reconstructing, maintaining, repairing, enlarging,
25 furnishing or remodeling facilities for any such organization that would be
26 exempt from taxation under the provisions of this section if purchased
27 directly by such organization. Nothing in this subsection shall be deemed
28 to exempt the purchase of any construction machinery, equipment or tools
29 used in the constructing, equipping, reconstructing, maintaining, repairing,
30 enlarging, furnishing or remodeling facilities for any such organization.
31 When any such organization shall contract for the purpose of constructing,
32 equipping, reconstructing, maintaining, repairing, enlarging, furnishing or
33 remodeling facilities, it shall obtain from the state and furnish to the
34 contractor an exemption certificate for the project involved, and the
35 contractor may purchase materials for incorporation in such project. The
36 contractor shall furnish the number of such certificate to all suppliers from
37 whom such purchases are made, and such suppliers shall execute invoices
38 covering the same bearing the number of such certificate. Upon
39 completion of the project the contractor shall furnish to such organization
40 concerned a sworn statement, on a form to be provided by the director of
41 taxation, that all purchases so made were entitled to exemption under this
42 subsection. All invoices shall be held by the contractor for a period of five
43 years and shall be subject to audit by the director of taxation. If any

1 materials purchased under such a certificate are found not to have been
2 incorporated in the building or other project or not to have been returned
3 for credit or the sales or compensating tax otherwise imposed upon such
4 materials that will not be so incorporated in the building or other project
5 reported and paid by such contractor to the director of taxation not later
6 than the 20th day of the month following the close of the month in which it
7 shall be determined that such materials will not be used for the purpose for
8 which such certificate was issued, such organization concerned shall be
9 liable for tax on all materials purchased for the project, and upon payment
10 thereof it may recover the same from the contractor together with
11 reasonable attorney fees. Any contractor or any agent, employee or
12 subcontractor thereof, who shall use or otherwise dispose of any materials
13 purchased under such a certificate for any purpose other than that for
14 which such a certificate is issued without the payment of the sales or
15 compensating tax otherwise imposed upon such materials, shall be guilty
16 of a misdemeanor and, upon conviction therefor, shall be subject to the
17 penalties provided for in K.S.A. 79-3615(h), and amendments thereto.
18 Sales tax paid on and after July 1, 1998, but prior to the effective date of
19 this act upon the gross receipts received from any sale exempted by the
20 amendatory provisions of this subsection shall be refunded. Each claim for
21 a sales tax refund shall be verified and submitted to the director of taxation
22 upon forms furnished by the director and shall be accompanied by any
23 additional documentation required by the director. The director shall
24 review each claim and shall refund that amount of sales tax paid as
25 determined under the provisions of this subsection. All refunds shall be
26 paid from the sales tax refund fund upon warrants of the director of
27 accounts and reports pursuant to vouchers approved by the director or the
28 director's designee;

29 (bbb) all sales of food for human consumption by an organization that
30 is exempt from federal income taxation pursuant to section 501(c)(3)
31 of the federal internal revenue code of 1986, pursuant to a food distribution
32 program that offers such food at a price below cost in exchange for the
33 performance of community service by the purchaser thereof;

34 (ccc) on and after July 1, 1999, all sales of tangible personal property
35 and services purchased by a primary care clinic or health center the
36 primary purpose of which is to provide services to medically underserved
37 individuals and families, and that is exempt from federal income taxation
38 pursuant to section 501(c)(3) of the federal internal revenue code, and all
39 sales of tangible personal property or services purchased by a contractor
40 for the purpose of constructing, equipping, reconstructing, maintaining,
41 repairing, enlarging, furnishing or remodeling facilities for any such clinic
42 or center that would be exempt from taxation under the provisions of this
43 section if purchased directly by such clinic or center, ~~except that for~~

1 ~~taxable years commencing after December 31, 2013, this subsection shall~~
2 ~~not apply to any sales of such tangible personal property and services~~
3 ~~purchased by a primary care clinic or health center which performs any~~
4 ~~abortion, as defined in K.S.A. 65-6701, and amendments thereto. Nothing~~
5 in this subsection shall be deemed to exempt the purchase of any
6 construction machinery, equipment or tools used in the constructing,
7 equipping, reconstructing, maintaining, repairing, enlarging, furnishing or
8 remodeling facilities for any such clinic or center. When any such clinic or
9 center shall contract for the purpose of constructing, equipping,
10 reconstructing, maintaining, repairing, enlarging, furnishing or remodeling
11 facilities, it shall obtain from the state and furnish to the contractor an
12 exemption certificate for the project involved, and the contractor may
13 purchase materials for incorporation in such project. The contractor shall
14 furnish the number of such certificate to all suppliers from whom such
15 purchases are made, and such suppliers shall execute invoices covering the
16 same bearing the number of such certificate. Upon completion of the
17 project the contractor shall furnish to such clinic or center concerned a
18 sworn statement, on a form to be provided by the director of taxation, that
19 all purchases so made were entitled to exemption under this subsection.
20 All invoices shall be held by the contractor for a period of five years and
21 shall be subject to audit by the director of taxation. If any materials
22 purchased under such a certificate are found not to have been incorporated
23 in the building or other project or not to have been returned for credit or
24 the sales or compensating tax otherwise imposed upon such materials that
25 will not be so incorporated in the building or other project reported and
26 paid by such contractor to the director of taxation not later than the 20th
27 day of the month following the close of the month in which it shall be
28 determined that such materials will not be used for the purpose for which
29 such certificate was issued, such clinic or center concerned shall be liable
30 for tax on all materials purchased for the project, and upon payment
31 thereof it may recover the same from the contractor together with
32 reasonable attorney fees. Any contractor or any agent, employee or
33 subcontractor thereof, who shall use or otherwise dispose of any materials
34 purchased under such a certificate for any purpose other than that for
35 which such a certificate is issued without the payment of the sales or
36 compensating tax otherwise imposed upon such materials, shall be guilty
37 of a misdemeanor and, upon conviction therefor, shall be subject to the
38 penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

39 (ddd) on and after January 1, 1999, and before January 1, 2000, all
40 sales of materials and services purchased by any class II or III railroad as
41 classified by the federal surface transportation board for the construction,
42 renovation, repair or replacement of class II or III railroad track and
43 facilities used directly in interstate commerce. In the event any such track

1 or facility for which materials and services were purchased sales tax
2 exempt is not operational for five years succeeding the allowance of such
3 exemption, the total amount of sales tax that would have been payable
4 except for the operation of this subsection shall be recouped in accordance
5 with rules and regulations adopted for such purpose by the secretary of
6 revenue;

7 (eee) on and after January 1, 1999, and before January 1, 2001, all
8 sales of materials and services purchased for the original construction,
9 reconstruction, repair or replacement of grain storage facilities, including
10 railroad sidings providing access thereto;

11 (fff) all sales of material handling equipment, racking systems and
12 other related machinery and equipment that is used for the handling,
13 movement or storage of tangible personal property in a warehouse or
14 distribution facility in this state; all sales of installation, repair and
15 maintenance services performed on such machinery and equipment; and
16 all sales of repair and replacement parts for such machinery and
17 equipment. For purposes of this subsection, a warehouse or distribution
18 facility means a single, fixed location that consists of buildings or
19 structures in a contiguous area where storage or distribution operations are
20 conducted that are separate and apart from the business' retail operations,
21 if any, and that do not otherwise qualify for exemption as occurring at a
22 manufacturing or processing plant or facility. Material handling and
23 storage equipment shall include aeration, dust control, cleaning, handling
24 and other such equipment that is used in a public grain warehouse or other
25 commercial grain storage facility, whether used for grain handling, grain
26 storage, grain refining or processing, or other grain treatment operation;

27 (ggg) all sales of tangible personal property and services purchased
28 by or on behalf of the Kansas academy of science, which is exempt from
29 federal income taxation pursuant to section 501(c)(3) of the federal
30 internal revenue code of 1986, and used solely by such academy for the
31 preparation, publication and dissemination of education materials;

32 (hhh) all sales of tangible personal property and services purchased
33 by or on behalf of all domestic violence shelters that are member agencies
34 of the Kansas coalition against sexual and domestic violence;

35 (iii) all sales of personal property and services purchased by an
36 organization that is exempt from federal income taxation pursuant to
37 section 501(c)(3) of the federal internal revenue code of 1986, and such
38 personal property and services are used by any such organization in the
39 collection, storage and distribution of food products to nonprofit
40 organizations that distribute such food products to persons pursuant to a
41 food distribution program on a charitable basis without fee or charge, and
42 all sales of tangible personal property or services purchased by a
43 contractor for the purpose of constructing, equipping, reconstructing,

1 maintaining, repairing, enlarging, furnishing or remodeling facilities used
2 for the collection and storage of such food products for any such
3 organization which is exempt from federal income taxation pursuant to
4 section 501(c)(3) of the federal internal revenue code of 1986, that would
5 be exempt from taxation under the provisions of this section if purchased
6 directly by such organization. Nothing in this subsection shall be deemed
7 to exempt the purchase of any construction machinery, equipment or tools
8 used in the constructing, equipping, reconstructing, maintaining, repairing,
9 enlarging, furnishing or remodeling facilities for any such organization.
10 When any such organization shall contract for the purpose of constructing,
11 equipping, reconstructing, maintaining, repairing, enlarging, furnishing or
12 remodeling facilities, it shall obtain from the state and furnish to the
13 contractor an exemption certificate for the project involved, and the
14 contractor may purchase materials for incorporation in such project. The
15 contractor shall furnish the number of such certificate to all suppliers from
16 whom such purchases are made, and such suppliers shall execute invoices
17 covering the same bearing the number of such certificate. Upon
18 completion of the project the contractor shall furnish to such organization
19 concerned a sworn statement, on a form to be provided by the director of
20 taxation, that all purchases so made were entitled to exemption under this
21 subsection. All invoices shall be held by the contractor for a period of five
22 years and shall be subject to audit by the director of taxation. If any
23 materials purchased under such a certificate are found not to have been
24 incorporated in such facilities or not to have been returned for credit or the
25 sales or compensating tax otherwise imposed upon such materials that will
26 not be so incorporated in such facilities reported and paid by such
27 contractor to the director of taxation not later than the 20th day of the
28 month following the close of the month in which it shall be determined
29 that such materials will not be used for the purpose for which such
30 certificate was issued, such organization concerned shall be liable for tax
31 on all materials purchased for the project, and upon payment thereof it
32 may recover the same from the contractor together with reasonable
33 attorney fees. Any contractor or any agent, employee or subcontractor
34 thereof, who shall use or otherwise dispose of any materials purchased
35 under such a certificate for any purpose other than that for which such a
36 certificate is issued without the payment of the sales or compensating tax
37 otherwise imposed upon such materials, shall be guilty of a misdemeanor
38 and, upon conviction therefor, shall be subject to the penalties provided for
39 in K.S.A. 79-3615(h), and amendments thereto. Sales tax paid on and after
40 July 1, 2005, but prior to the effective date of this act upon the gross
41 receipts received from any sale exempted by the amendatory provisions of
42 this subsection shall be refunded. Each claim for a sales tax refund shall be
43 verified and submitted to the director of taxation upon forms furnished by

1 the director and shall be accompanied by any additional documentation
2 required by the director. The director shall review each claim and shall
3 refund that amount of sales tax paid as determined under the provisions of
4 this subsection. All refunds shall be paid from the sales tax refund fund
5 upon warrants of the director of accounts and reports pursuant to vouchers
6 approved by the director or the director's designee;

7 (jjj) all sales of dietary supplements dispensed pursuant to a
8 prescription order by a licensed practitioner or a mid-level practitioner as
9 defined by K.S.A. 65-1626, and amendments thereto. As used in this
10 subsection, "dietary supplement" means any product, other than tobacco,
11 intended to supplement the diet that: (1) Contains one or more of the
12 following dietary ingredients: A vitamin, a mineral, an herb or other
13 botanical, an amino acid, a dietary substance for use by humans to
14 supplement the diet by increasing the total dietary intake or a concentrate,
15 metabolite, constituent, extract or combination of any such ingredient; (2)
16 is intended for ingestion in tablet, capsule, powder, softgel, gelcap or
17 liquid form, or if not intended for ingestion, in such a form, is not
18 represented as conventional food and is not represented for use as a sole
19 item of a meal or of the diet; and (3) is required to be labeled as a dietary
20 supplement, identifiable by the supplemental facts box found on the label
21 and as required pursuant to 21 C.F.R. § 101.36;

22 (lll) all sales of tangible personal property and services purchased by
23 special olympics Kansas, inc. for the purpose of providing year-round
24 sports training and athletic competition in a variety of olympic-type sports
25 for individuals with intellectual disabilities by giving them continuing
26 opportunities to develop physical fitness, demonstrate courage, experience
27 joy and participate in a sharing of gifts, skills and friendship with their
28 families, other special olympics athletes and the community, and activities
29 provided or sponsored by such organization, and all sales of tangible
30 personal property by or on behalf of any such organization;

31 (mmm) all sales of tangible personal property purchased by or on
32 behalf of the Marillac center, inc., which is exempt from federal income
33 taxation pursuant to section 501(c)(3) of the federal internal revenue code,
34 for the purpose of providing psycho-social-biological and special
35 education services to children, and all sales of any such property by or on
36 behalf of such organization for such purpose;

37 (nnn) all sales of tangible personal property and services purchased
38 by the west Sedgwick county-sunrise rotary club and sunrise charitable
39 fund for the purpose of constructing a boundless playground which is an
40 integrated, barrier free and developmentally advantageous play
41 environment for children of all abilities and disabilities;

42 (ooo) all sales of tangible personal property by or on behalf of a
43 public library serving the general public and supported in whole or in part

1 with tax money or a not-for-profit organization whose purpose is to raise
2 funds for or provide services or other benefits to any such public library;

3 (ppp) all sales of tangible personal property and services purchased
4 by or on behalf of a homeless shelter that is exempt from federal income
5 taxation pursuant to section 501(c)(3) of the federal income tax code of
6 1986, and used by any such homeless shelter to provide emergency and
7 transitional housing for individuals and families experiencing
8 homelessness, and all sales of any such property by or on behalf of any
9 such homeless shelter for any such purpose;

10 (qqq) all sales of tangible personal property and services purchased
11 by TLC for children and families, inc., hereinafter referred to as TLC,
12 which is exempt from federal income taxation pursuant to section 501(c)
13 (3) of the federal internal revenue code of 1986, and such property and
14 services are used for the purpose of providing emergency shelter and
15 treatment for abused and neglected children as well as meeting additional
16 critical needs for children, juveniles and family, and all sales of any such
17 property by or on behalf of TLC for any such purpose; and all sales of
18 tangible personal property or services purchased by a contractor for the
19 purpose of constructing, maintaining, repairing, enlarging, furnishing or
20 remodeling facilities for the operation of services for TLC for any such
21 purpose that would be exempt from taxation under the provisions of this
22 section if purchased directly by TLC. Nothing in this subsection shall be
23 deemed to exempt the purchase of any construction machinery, equipment
24 or tools used in the constructing, maintaining, repairing, enlarging,
25 furnishing or remodeling such facilities for TLC. When TLC contracts for
26 the purpose of constructing, maintaining, repairing, enlarging, furnishing
27 or remodeling such facilities, it shall obtain from the state and furnish to
28 the contractor an exemption certificate for the project involved, and the
29 contractor may purchase materials for incorporation in such project. The
30 contractor shall furnish the number of such certificate to all suppliers from
31 whom such purchases are made, and such suppliers shall execute invoices
32 covering the same bearing the number of such certificate. Upon
33 completion of the project the contractor shall furnish to TLC a sworn
34 statement, on a form to be provided by the director of taxation, that all
35 purchases so made were entitled to exemption under this subsection. All
36 invoices shall be held by the contractor for a period of five years and shall
37 be subject to audit by the director of taxation. If any materials purchased
38 under such a certificate are found not to have been incorporated in the
39 building or other project or not to have been returned for credit or the sales
40 or compensating tax otherwise imposed upon such materials that will not
41 be so incorporated in the building or other project reported and paid by
42 such contractor to the director of taxation not later than the 20th day of the
43 month following the close of the month in which it shall be determined

1 that such materials will not be used for the purpose for which such
2 certificate was issued, TLC shall be liable for tax on all materials
3 purchased for the project, and upon payment thereof it may recover the
4 same from the contractor together with reasonable attorney fees. Any
5 contractor or any agent, employee or subcontractor thereof, who shall use
6 or otherwise dispose of any materials purchased under such a certificate
7 for any purpose other than that for which such a certificate is issued
8 without the payment of the sales or compensating tax otherwise imposed
9 upon such materials, shall be guilty of a misdemeanor and, upon
10 conviction therefor, shall be subject to the penalties provided for in K.S.A.
11 79-3615(h), and amendments thereto;

12 (rrr) all sales of tangible personal property and services purchased by
13 any county law library maintained pursuant to law and sales of tangible
14 personal property and services purchased by an organization that would
15 have been exempt from taxation under the provisions of this subsection if
16 purchased directly by the county law library for the purpose of providing
17 legal resources to attorneys, judges, students and the general public, and
18 all sales of any such property by or on behalf of any such county law
19 library;

20 (sss) all sales of tangible personal property and services purchased by
21 catholic charities or youthville, hereinafter referred to as charitable family
22 providers, which is exempt from federal income taxation pursuant to
23 section 501(c)(3) of the federal internal revenue code of 1986, and which
24 such property and services are used for the purpose of providing
25 emergency shelter and treatment for abused and neglected children as well
26 as meeting additional critical needs for children, juveniles and family, and
27 all sales of any such property by or on behalf of charitable family
28 providers for any such purpose; and all sales of tangible personal property
29 or services purchased by a contractor for the purpose of constructing,
30 maintaining, repairing, enlarging, furnishing or remodeling facilities for
31 the operation of services for charitable family providers for any such
32 purpose which would be exempt from taxation under the provisions of this
33 section if purchased directly by charitable family providers. Nothing in
34 this subsection shall be deemed to exempt the purchase of any construction
35 machinery, equipment or tools used in the constructing, maintaining,
36 repairing, enlarging, furnishing or remodeling such facilities for charitable
37 family providers. When charitable family providers contracts for the
38 purpose of constructing, maintaining, repairing, enlarging, furnishing or
39 remodeling such facilities, it shall obtain from the state and furnish to the
40 contractor an exemption certificate for the project involved, and the
41 contractor may purchase materials for incorporation in such project. The
42 contractor shall furnish the number of such certificate to all suppliers from
43 whom such purchases are made, and such suppliers shall execute invoices

1 covering the same bearing the number of such certificate. Upon
2 completion of the project the contractor shall furnish to charitable family
3 providers a sworn statement, on a form to be provided by the director of
4 taxation, that all purchases so made were entitled to exemption under this
5 subsection. All invoices shall be held by the contractor for a period of five
6 years and shall be subject to audit by the director of taxation. If any
7 materials purchased under such a certificate are found not to have been
8 incorporated in the building or other project or not to have been returned
9 for credit or the sales or compensating tax otherwise imposed upon such
10 materials that will not be so incorporated in the building or other project
11 reported and paid by such contractor to the director of taxation not later
12 than the 20th day of the month following the close of the month in which it
13 shall be determined that such materials will not be used for the purpose for
14 which such certificate was issued, charitable family providers shall be
15 liable for tax on all materials purchased for the project, and upon payment
16 thereof it may recover the same from the contractor together with
17 reasonable attorney fees. Any contractor or any agent, employee or
18 subcontractor thereof, who shall use or otherwise dispose of any materials
19 purchased under such a certificate for any purpose other than that for
20 which such a certificate is issued without the payment of the sales or
21 compensating tax otherwise imposed upon such materials, shall be guilty
22 of a misdemeanor and, upon conviction therefor, shall be subject to the
23 penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

24 (ttt) all sales of tangible personal property or services purchased by a
25 contractor for a project for the purpose of restoring, constructing,
26 equipping, reconstructing, maintaining, repairing, enlarging, furnishing or
27 remodeling a home or facility owned by a nonprofit museum that has been
28 granted an exemption pursuant to subsection (qq), which such home or
29 facility is located in a city that has been designated as a qualified
30 hometown pursuant to the provisions of K.S.A. 75-5071 et seq., and
31 amendments thereto, and which such project is related to the purposes of
32 K.S.A. 75-5071 et seq., and amendments thereto, and that would be
33 exempt from taxation under the provisions of this section if purchased
34 directly by such nonprofit museum. Nothing in this subsection shall be
35 deemed to exempt the purchase of any construction machinery, equipment
36 or tools used in the restoring, constructing, equipping, reconstructing,
37 maintaining, repairing, enlarging, furnishing or remodeling a home or
38 facility for any such nonprofit museum. When any such nonprofit museum
39 shall contract for the purpose of restoring, constructing, equipping,
40 reconstructing, maintaining, repairing, enlarging, furnishing or remodeling
41 a home or facility, it shall obtain from the state and furnish to the
42 contractor an exemption certificate for the project involved, and the
43 contractor may purchase materials for incorporation in such project. The

1 contractor shall furnish the number of such certificates to all suppliers
2 from whom such purchases are made, and such suppliers shall execute
3 invoices covering the same bearing the number of such certificate. Upon
4 completion of the project, the contractor shall furnish to such nonprofit
5 museum a sworn statement on a form to be provided by the director of
6 taxation that all purchases so made were entitled to exemption under this
7 subsection. All invoices shall be held by the contractor for a period of five
8 years and shall be subject to audit by the director of taxation. If any
9 materials purchased under such a certificate are found not to have been
10 incorporated in the building or other project or not to have been returned
11 for credit or the sales or compensating tax otherwise imposed upon such
12 materials that will not be so incorporated in a home or facility or other
13 project reported and paid by such contractor to the director of taxation not
14 later than the 20th day of the month following the close of the month in
15 which it shall be determined that such materials will not be used for the
16 purpose for which such certificate was issued, such nonprofit museum
17 shall be liable for tax on all materials purchased for the project, and upon
18 payment thereof it may recover the same from the contractor together with
19 reasonable attorney fees. Any contractor or any agent, employee or
20 subcontractor thereof, who shall use or otherwise dispose of any materials
21 purchased under such a certificate for any purpose other than that for
22 which such a certificate is issued without the payment of the sales or
23 compensating tax otherwise imposed upon such materials, shall be guilty
24 of a misdemeanor and, upon conviction therefor, shall be subject to the
25 penalties provided for in K.S.A. 79-3615(h), and amendments thereto;

26 (uuu) all sales of tangible personal property and services purchased
27 by Kansas children's service league, hereinafter referred to as KCSL,
28 which is exempt from federal income taxation pursuant to section 501(c)
29 (3) of the federal internal revenue code of 1986, and which such property
30 and services are used for the purpose of providing for the prevention and
31 treatment of child abuse and maltreatment as well as meeting additional
32 critical needs for children, juveniles and family, and all sales of any such
33 property by or on behalf of KCSL for any such purpose; and all sales of
34 tangible personal property or services purchased by a contractor for the
35 purpose of constructing, maintaining, repairing, enlarging, furnishing or
36 remodeling facilities for the operation of services for KCSL for any such
37 purpose that would be exempt from taxation under the provisions of this
38 section if purchased directly by KCSL. Nothing in this subsection shall be
39 deemed to exempt the purchase of any construction machinery, equipment
40 or tools used in the constructing, maintaining, repairing, enlarging,
41 furnishing or remodeling such facilities for KCSL. When KCSL contracts
42 for the purpose of constructing, maintaining, repairing, enlarging,
43 furnishing or remodeling such facilities, it shall obtain from the state and

1 furnish to the contractor an exemption certificate for the project involved,
2 and the contractor may purchase materials for incorporation in such
3 project. The contractor shall furnish the number of such certificate to all
4 suppliers from whom such purchases are made, and such suppliers shall
5 execute invoices covering the same bearing the number of such certificate.
6 Upon completion of the project the contractor shall furnish to KCSL a
7 sworn statement, on a form to be provided by the director of taxation, that
8 all purchases so made were entitled to exemption under this subsection.
9 All invoices shall be held by the contractor for a period of five years and
10 shall be subject to audit by the director of taxation. If any materials
11 purchased under such a certificate are found not to have been incorporated
12 in the building or other project or not to have been returned for credit or
13 the sales or compensating tax otherwise imposed upon such materials that
14 will not be so incorporated in the building or other project reported and
15 paid by such contractor to the director of taxation not later than the 20th
16 day of the month following the close of the month in which it shall be
17 determined that such materials will not be used for the purpose for which
18 such certificate was issued, KCSL shall be liable for tax on all materials
19 purchased for the project, and upon payment thereof it may recover the
20 same from the contractor together with reasonable attorney fees. Any
21 contractor or any agent, employee or subcontractor thereof, who shall use
22 or otherwise dispose of any materials purchased under such a certificate
23 for any purpose other than that for which such a certificate is issued
24 without the payment of the sales or compensating tax otherwise imposed
25 upon such materials, shall be guilty of a misdemeanor and, upon
26 conviction therefor, shall be subject to the penalties provided for in K.S.A.
27 79-3615(h), and amendments thereto;

28 (vvv) all sales of tangible personal property or services, including the
29 renting and leasing of tangible personal property or services, purchased by
30 jazz in the woods, inc., a Kansas corporation that is exempt from federal
31 income taxation pursuant to section 501(c)(3) of the federal internal
32 revenue code, for the purpose of providing jazz in the woods, an event
33 benefiting children-in-need and other nonprofit charities assisting such
34 children, and all sales of any such property by or on behalf of such
35 organization for such purpose;

36 (www) all sales of tangible personal property purchased by or on
37 behalf of the Frontenac education foundation, which is exempt from
38 federal income taxation pursuant to section 501(c)(3) of the federal
39 internal revenue code, for the purpose of providing education support for
40 students, and all sales of any such property by or on behalf of such
41 organization for such purpose;

42 (xxx) all sales of personal property and services purchased by the
43 booth theatre foundation, inc., an organization, which is exempt from

1 federal income taxation pursuant to section 501(c)(3) of the federal
2 internal revenue code of 1986, and which such personal property and
3 services are used by any such organization in the constructing, equipping,
4 reconstructing, maintaining, repairing, enlarging, furnishing or remodeling
5 of the booth theatre, and all sales of tangible personal property or services
6 purchased by a contractor for the purpose of constructing, equipping,
7 reconstructing, maintaining, repairing, enlarging, furnishing or remodeling
8 the booth theatre for such organization, that would be exempt from
9 taxation under the provisions of this section if purchased directly by such
10 organization. Nothing in this subsection shall be deemed to exempt the
11 purchase of any construction machinery, equipment or tools used in the
12 constructing, equipping, reconstructing, maintaining, repairing, enlarging,
13 furnishing or remodeling facilities for any such organization. When any
14 such organization shall contract for the purpose of constructing, equipping,
15 reconstructing, maintaining, repairing, enlarging, furnishing or remodeling
16 facilities, it shall obtain from the state and furnish to the contractor an
17 exemption certificate for the project involved, and the contractor may
18 purchase materials for incorporation in such project. The contractor shall
19 furnish the number of such certificate to all suppliers from whom such
20 purchases are made, and such suppliers shall execute invoices covering the
21 same bearing the number of such certificate. Upon completion of the
22 project the contractor shall furnish to such organization concerned a sworn
23 statement, on a form to be provided by the director of taxation, that all
24 purchases so made were entitled to exemption under this subsection. All
25 invoices shall be held by the contractor for a period of five years and shall
26 be subject to audit by the director of taxation. If any materials purchased
27 under such a certificate are found not to have been incorporated in such
28 facilities or not to have been returned for credit or the sales or
29 compensating tax otherwise imposed upon such materials that will not be
30 so incorporated in such facilities reported and paid by such contractor to
31 the director of taxation not later than the 20th day of the month following
32 the close of the month in which it shall be determined that such materials
33 will not be used for the purpose for which such certificate was issued, such
34 organization concerned shall be liable for tax on all materials purchased
35 for the project, and upon payment thereof it may recover the same from
36 the contractor together with reasonable attorney fees. Any contractor or
37 any agent, employee or subcontractor thereof, who shall use or otherwise
38 dispose of any materials purchased under such a certificate for any purpose
39 other than that for which such a certificate is issued without the payment
40 of the sales or compensating tax otherwise imposed upon such materials,
41 shall be guilty of a misdemeanor and, upon conviction therefor, shall be
42 subject to the penalties provided for in K.S.A. 79-3615(h), and
43 amendments thereto. Sales tax paid on and after January 1, 2007, but prior

1 to the effective date of this act upon the gross receipts received from any
2 sale which would have been exempted by the provisions of this subsection
3 had such sale occurred after the effective date of this act shall be refunded.
4 Each claim for a sales tax refund shall be verified and submitted to the
5 director of taxation upon forms furnished by the director and shall be
6 accompanied by any additional documentation required by the director.
7 The director shall review each claim and shall refund that amount of sales
8 tax paid as determined under the provisions of this subsection. All refunds
9 shall be paid from the sales tax refund fund upon warrants of the director
10 of accounts and reports pursuant to vouchers approved by the director or
11 the director's designee;

12 (yyy) all sales of tangible personal property and services purchased
13 by TLC charities foundation, inc., hereinafter referred to as TLC charities,
14 which is exempt from federal income taxation pursuant to section 501(c)
15 (3) of the federal internal revenue code of 1986, and which such property
16 and services are used for the purpose of encouraging private philanthropy
17 to further the vision, values, and goals of TLC for children and families,
18 inc.; and all sales of such property and services by or on behalf of TLC
19 charities for any such purpose and all sales of tangible personal property or
20 services purchased by a contractor for the purpose of constructing,
21 maintaining, repairing, enlarging, furnishing or remodeling facilities for
22 the operation of services for TLC charities for any such purpose that would
23 be exempt from taxation under the provisions of this section if purchased
24 directly by TLC charities. Nothing in this subsection shall be deemed to
25 exempt the purchase of any construction machinery, equipment or tools
26 used in the constructing, maintaining, repairing, enlarging, furnishing or
27 remodeling such facilities for TLC charities. When TLC charities contracts
28 for the purpose of constructing, maintaining, repairing, enlarging,
29 furnishing or remodeling such facilities, it shall obtain from the state and
30 furnish to the contractor an exemption certificate for the project involved,
31 and the contractor may purchase materials for incorporation in such
32 project. The contractor shall furnish the number of such certificate to all
33 suppliers from whom such purchases are made, and such suppliers shall
34 execute invoices covering the same bearing the number of such certificate.
35 Upon completion of the project the contractor shall furnish to TLC
36 charities a sworn statement, on a form to be provided by the director of
37 taxation, that all purchases so made were entitled to exemption under this
38 subsection. All invoices shall be held by the contractor for a period of five
39 years and shall be subject to audit by the director of taxation. If any
40 materials purchased under such a certificate are found not to have been
41 incorporated in the building or other project or not to have been returned
42 for credit or the sales or compensating tax otherwise imposed upon such
43 materials that will not be incorporated into the building or other project

1 reported and paid by such contractor to the director of taxation not later
2 than the 20th day of the month following the close of the month in which it
3 shall be determined that such materials will not be used for the purpose for
4 which such certificate was issued, TLC charities shall be liable for tax on
5 all materials purchased for the project, and upon payment thereof it may
6 recover the same from the contractor together with reasonable attorney
7 fees. Any contractor or any agent, employee or subcontractor thereof, who
8 shall use or otherwise dispose of any materials purchased under such a
9 certificate for any purpose other than that for which such a certificate is
10 issued without the payment of the sales or compensating tax otherwise
11 imposed upon such materials, shall be guilty of a misdemeanor and, upon
12 conviction therefor, shall be subject to the penalties provided for in K.S.A.
13 79-3615(h), and amendments thereto;

14 (zzz) all sales of tangible personal property purchased by the rotary
15 club of shawnee foundation, which is exempt from federal income taxation
16 pursuant to section 501(c)(3) of the federal internal revenue code of 1986,
17 as amended, used for the purpose of providing contributions to community
18 service organizations and scholarships;

19 (aaaa) all sales of personal property and services purchased by or on
20 behalf of victory in the valley, inc., which is exempt from federal income
21 taxation pursuant to section 501(c)(3) of the federal internal revenue code,
22 for the purpose of providing a cancer support group and services for
23 persons with cancer, and all sales of any such property by or on behalf of
24 any such organization for any such purpose;

25 (bbbb) all sales of entry or participation fees, charges or tickets by
26 Guadalupe health foundation, which is exempt from federal income
27 taxation pursuant to section 501(c)(3) of the federal internal revenue code,
28 for such organization's annual fundraising event which purpose is to
29 provide health care services for uninsured workers;

30 (cccc) all sales of tangible personal property or services purchased by
31 or on behalf of wayside waifs, inc., which is exempt from federal income
32 taxation pursuant to section 501(c)(3) of the federal internal revenue code,
33 for the purpose of providing such organization's annual fundraiser, an
34 event whose purpose is to support the care of homeless and abandoned
35 animals, animal adoption efforts, education programs for children and
36 efforts to reduce animal over-population and animal welfare services, and
37 all sales of any such property, including entry or participation fees or
38 charges, by or on behalf of such organization for such purpose;

39 (dddd) all sales of tangible personal property or services purchased
40 by or on behalf of goodwill industries or Easter seals of Kansas, inc., both
41 of which are exempt from federal income taxation pursuant to section
42 501(c)(3) of the federal internal revenue code, for the purpose of providing
43 education, training and employment opportunities for people with

1 disabilities and other barriers to employment;

2 (eeee) all sales of tangible personal property or services purchased by
3 or on behalf of all American beef battalion, inc., which is exempt from
4 federal income taxation pursuant to section 501(c)(3) of the federal
5 internal revenue code, for the purpose of educating, promoting and
6 participating as a contact group through the beef cattle industry in order to
7 carry out such projects that provide support and morale to members of the
8 United States armed forces and military services;

9 (ffff) all sales of tangible personal property and services purchased by
10 sheltered living, inc., which is exempt from federal income taxation
11 pursuant to section 501(c)(3) of the federal internal revenue code of 1986,
12 and which such property and services are used for the purpose of
13 providing residential and day services for people with developmental
14 disabilities or intellectual disability, or both, and all sales of any such
15 property by or on behalf of sheltered living, inc., for any such purpose; and
16 all sales of tangible personal property or services purchased by a
17 contractor for the purpose of rehabilitating, constructing, maintaining,
18 repairing, enlarging, furnishing or remodeling homes and facilities for
19 sheltered living, inc., for any such purpose that would be exempt from
20 taxation under the provisions of this section if purchased directly by
21 sheltered living, inc. Nothing in this subsection shall be deemed to exempt
22 the purchase of any construction machinery, equipment or tools used in the
23 constructing, maintaining, repairing, enlarging, furnishing or remodeling
24 such homes and facilities for sheltered living, inc. When sheltered living,
25 inc., contracts for the purpose of rehabilitating, constructing, maintaining,
26 repairing, enlarging, furnishing or remodeling such homes and facilities, it
27 shall obtain from the state and furnish to the contractor an exemption
28 certificate for the project involved, and the contractor may purchase
29 materials for incorporation in such project. The contractor shall furnish the
30 number of such certificate to all suppliers from whom such purchases are
31 made, and such suppliers shall execute invoices covering the same bearing
32 the number of such certificate. Upon completion of the project the
33 contractor shall furnish to sheltered living, inc., a sworn statement, on a
34 form to be provided by the director of taxation, that all purchases so made
35 were entitled to exemption under this subsection. All invoices shall be held
36 by the contractor for a period of five years and shall be subject to audit by
37 the director of taxation. If any materials purchased under such a certificate
38 are found not to have been incorporated in the building or other project or
39 not to have been returned for credit or the sales or compensating tax
40 otherwise imposed upon such materials that will not be so incorporated in
41 the building or other project reported and paid by such contractor to the
42 director of taxation not later than the 20th day of the month following the
43 close of the month in which it shall be determined that such materials will

1 not be used for the purpose for which such certificate was issued, sheltered
2 living, inc., shall be liable for tax on all materials purchased for the
3 project, and upon payment thereof it may recover the same from the
4 contractor together with reasonable attorney fees. Any contractor or any
5 agent, employee or subcontractor thereof, who shall use or otherwise
6 dispose of any materials purchased under such a certificate for any purpose
7 other than that for which such a certificate is issued without the payment
8 of the sales or compensating tax otherwise imposed upon such materials,
9 shall be guilty of a misdemeanor and, upon conviction therefor, shall be
10 subject to the penalties provided for in K.S.A. 79-3615(h), and
11 amendments thereto;

12 (gggg) all sales of game birds for which the primary purpose is use in
13 hunting;

14 (hhhh) all sales of tangible personal property or services purchased
15 on or after July 1, 2014, for the purpose of and in conjunction with
16 constructing, reconstructing, enlarging or remodeling a business identified
17 under the North American industry classification system (NAICS)
18 subsectors 1123, 1124, 112112, 112120 or 112210, and the sale and
19 installation of machinery and equipment purchased for installation at any
20 such business. The exemption provided in this subsection shall not apply
21 to projects that have actual total costs less than \$50,000. When a person
22 contracts for the construction, reconstruction, enlargement or remodeling
23 of any such business, such person shall obtain from the state and furnish to
24 the contractor an exemption certificate for the project involved, and the
25 contractor may purchase materials, machinery and equipment for
26 incorporation in such project. The contractor shall furnish the number of
27 such certificates to all suppliers from whom such purchases are made, and
28 such suppliers shall execute invoices covering the same bearing the
29 number of such certificate. Upon completion of the project, the contractor
30 shall furnish to the owner of the business a sworn statement, on a form to
31 be provided by the director of taxation, that all purchases so made were
32 entitled to exemption under this subsection. All invoices shall be held by
33 the contractor for a period of five years and shall be subject to audit by the
34 director of taxation. Any contractor or any agent, employee or
35 subcontractor of the contractor, who shall use or otherwise dispose of any
36 materials, machinery or equipment purchased under such a certificate for
37 any purpose other than that for which such a certificate is issued without
38 the payment of the sales or compensating tax otherwise imposed thereon,
39 shall be guilty of a misdemeanor and, upon conviction therefor, shall be
40 subject to the penalties provided for in K.S.A. 79-3615(h), and
41 amendments thereto;

42 (iiii) all sales of tangible personal property or services purchased by a
43 contractor for the purpose of constructing, maintaining, repairing,

1 enlarging, furnishing or remodeling facilities for the operation of services
2 for Wichita children's home for any such purpose that would be exempt
3 from taxation under the provisions of this section if purchased directly by
4 Wichita children's home. Nothing in this subsection shall be deemed to
5 exempt the purchase of any construction machinery, equipment or tools
6 used in the constructing, maintaining, repairing, enlarging, furnishing or
7 remodeling such facilities for Wichita children's home. When Wichita
8 children's home contracts for the purpose of constructing, maintaining,
9 repairing, enlarging, furnishing or remodeling such facilities, it shall obtain
10 from the state and furnish to the contractor an exemption certificate for the
11 project involved, and the contractor may purchase materials for
12 incorporation in such project. The contractor shall furnish the number of
13 such certificate to all suppliers from whom such purchases are made, and
14 such suppliers shall execute invoices covering the same bearing the
15 number of such certificate. Upon completion of the project, the contractor
16 shall furnish to Wichita children's home a sworn statement, on a form to be
17 provided by the director of taxation, that all purchases so made were
18 entitled to exemption under this subsection. All invoices shall be held by
19 the contractor for a period of five years and shall be subject to audit by the
20 director of taxation. If any materials purchased under such a certificate are
21 found not to have been incorporated in the building or other project or not
22 to have been returned for credit or the sales or compensating tax otherwise
23 imposed upon such materials that will not be so incorporated in the
24 building or other project reported and paid by such contractor to the
25 director of taxation not later than the 20th day of the month following the
26 close of the month in which it shall be determined that such materials will
27 not be used for the purpose for which such certificate was issued, Wichita
28 children's home shall be liable for the tax on all materials purchased for the
29 project, and upon payment, it may recover the same from the contractor
30 together with reasonable attorney fees. Any contractor or any agent,
31 employee or subcontractor, who shall use or otherwise dispose of any
32 materials purchased under such a certificate for any purpose other than that
33 for which such a certificate is issued without the payment of the sales or
34 compensating tax otherwise imposed upon such materials, shall be guilty
35 of a misdemeanor and, upon conviction, shall be subject to the penalties
36 provided for in K.S.A. 79-3615(h), and amendments thereto;

37 (jjjj) all sales of tangible personal property or services purchased by
38 or on behalf of the beacon, inc., that is exempt from federal income
39 taxation pursuant to section 501(c)(3) of the federal internal revenue code,
40 for the purpose of providing those desiring help with food, shelter, clothing
41 and other necessities of life during times of special need;

42 (kkkk) all sales of tangible personal property and services purchased
43 by or on behalf of reaching out from within, inc., which is exempt from

1 federal income taxation pursuant to section 501(c)(3) of the federal
2 internal revenue code, for the purpose of sponsoring self-help programs for
3 incarcerated persons that will enable such incarcerated persons to become
4 role models for non-violence while in correctional facilities and productive
5 family members and citizens upon return to the community;

6 (III) all sales of tangible personal property and services purchased by
7 Gove county healthcare endowment foundation, inc., which is exempt
8 from federal income taxation pursuant to section 501(c)(3) of the federal
9 internal revenue code of 1986, and which such property and services are
10 used for the purpose of constructing and equipping an airport in Quinter,
11 Kansas, and all sales of tangible personal property or services purchased
12 by a contractor for the purpose of constructing and equipping an airport in
13 Quinter, Kansas, for such organization, that would be exempt from
14 taxation under the provisions of this section if purchased directly by such
15 organization. Nothing in this subsection shall be deemed to exempt the
16 purchase of any construction machinery, equipment or tools used in the
17 constructing or equipping of facilities for such organization. When such
18 organization shall contract for the purpose of constructing or equipping an
19 airport in Quinter, Kansas, it shall obtain from the state and furnish to the
20 contractor an exemption certificate for the project involved, and the
21 contractor may purchase materials for incorporation in such project. The
22 contractor shall furnish the number of such certificate to all suppliers from
23 whom such purchases are made, and such suppliers shall execute invoices
24 covering the same bearing the number of such certificate. Upon
25 completion of the project, the contractor shall furnish to such organization
26 concerned a sworn statement, on a form to be provided by the director of
27 taxation, that all purchases so made were entitled to exemption under this
28 subsection. All invoices shall be held by the contractor for a period of five
29 years and shall be subject to audit by the director of taxation. If any
30 materials purchased under such a certificate are found not to have been
31 incorporated in such facilities or not to have been returned for credit or the
32 sales or compensating tax otherwise imposed upon such materials that will
33 not be so incorporated in such facilities reported and paid by such
34 contractor to the director of taxation no later than the 20th day of the month
35 following the close of the month in which it shall be determined that such
36 materials will not be used for the purpose for which such certificate was
37 issued, such organization concerned shall be liable for tax on all materials
38 purchased for the project, and upon payment thereof it may recover the
39 same from the contractor together with reasonable attorney fees. Any
40 contractor or any agent, employee or subcontractor thereof, who purchased
41 under such a certificate for any purpose other than that for which such a
42 certificate is issued without the payment of the sales or compensating tax
43 otherwise imposed upon such materials, shall be guilty of a misdemeanor

1 and, upon conviction therefor, shall be subject to the penalties provided for
2 in K.S.A. 79-3615(h), and amendments thereto. The provisions of this
3 subsection shall expire and have no effect on and after July 1, 2019;

4 (mmmm) all sales of gold or silver coins; and palladium, platinum,
5 gold or silver bullion. For the purposes of this subsection, "bullion" means
6 bars, ingots or commemorative medallions of gold, silver, platinum,
7 palladium, or a combination thereof, for which the value of the metal
8 depends on its content and not the form;

9 (nnnn) all sales of tangible personal property or services purchased
10 by friends of hospice of Jefferson county, an organization that is exempt
11 from federal income taxation pursuant to section 501(c)(3) of the federal
12 internal revenue code of 1986, for the purpose of providing support to the
13 Jefferson county hospice agency in end-of-life care of Jefferson county
14 families, friends and neighbors, and all sales of entry or participation fees,
15 charges or tickets by friends of hospice of Jefferson county for such
16 organization's fundraising event for such purpose; and

17 (oooo) all sales of tangible personal property or services purchased
18 for the purpose of and in conjunction with constructing, reconstructing,
19 enlarging or remodeling a qualified business facility by a qualified firm or
20 qualified supplier that meets the requirements established in K.S.A. 2022
21 Supp. 74-50,312 and 74-50,319, and amendments thereto, and that has
22 been approved for a project exemption certificate by the secretary of
23 commerce, and the sale and installation of machinery and equipment
24 purchased by such qualified firm or qualified supplier for installation at
25 any such qualified business facility. When a person shall contract for the
26 construction, reconstruction, enlargement or remodeling of any such
27 qualified business facility, such person shall obtain from the state and
28 furnish to the contractor an exemption certificate for the project involved,
29 and the contractor may purchase materials, machinery and equipment for
30 incorporation in such project. The contractor shall furnish the number of
31 such certificates to all suppliers from whom such purchases are made, and
32 such suppliers shall execute invoices covering the same bearing the
33 number of such certificate. Upon completion of the project, the contractor
34 shall furnish to the owner of the qualified firm or qualified supplier a
35 sworn statement, on a form to be provided by the director of taxation, that
36 all purchases so made were entitled to exemption under this subsection.
37 All invoices shall be held by the contractor for a period of five years and
38 shall be subject to audit by the director of taxation. Any contractor or any
39 agent, employee or subcontractor thereof who shall use or otherwise
40 dispose of any materials, machinery or equipment purchased under such a
41 certificate for any purpose other than that for which such a certificate is
42 issued without the payment of the sales or compensating tax otherwise
43 imposed thereon, shall be guilty of a misdemeanor and, upon conviction

1 therefor, shall be subject to the penalties provided for in K.S.A. 79-
2 3615(h), and amendments thereto. As used in this subsection, "qualified
3 business facility," "qualified firm" and "qualified supplier" mean the same
4 as defined in K.S.A. 2022 Supp. 74-50,311, and amendments thereto.

5 New Sec. 23. The provisions of this act are hereby declared
6 severable. If any part or provision of this act is held to be void, invalid or
7 unconstitutional, such part or provision shall not affect or impair any of the
8 remaining parts or provisions of this act, and any such remaining
9 provisions shall continue in full force and effect.

10 Sec. 24. K.S.A. 38-2003, 65-445, 65-4a01, 65-4a02, 65-4a03, 65-
11 4a04, 65-4a05, 65-4a06, 65-4a07, 65-4a08, 65-4a09, 65-4a10, 65-4a11,
12 65-4a12, 65-2401, 65-2837, 65-6701, 65-6702, 65-6703, 65-6704, 65-
13 6705, 65-6707, 65-6708, 65-6709, 65-6710, 65-6711, 65-6712, 65-6714,
14 65-6715, 65-6721, 65-6722, 65-6723, 65-6724, 65-6725, 65-6726, 65-
15 6731, 65-6732, 65-6741, 65-6742, 65-6743, 65-6744, 65-6745, 65-6746,
16 65-6747, 65-6748, 65-6749, 65-67a01, 65-67a02, 65-67a04, 65-67a07, 65-
17 67a09, 76-3308 and 79-32,195 and K.S.A. 2022 Supp. 21-5301, 21-5302,
18 21-5303, 60-1901, 60-1906, 79-32,182b, 79-32,261 and 79-3606 are
19 hereby repealed.

20 Sec. 25. This act shall take effect and be in force from and after its
21 publication in the statute book.