

HOUSE BILL No. 2162

By Committee on Taxation

1-25

1 AN ACT concerning sales taxation; relating to time for payment of tax;
2 amending K.S.A. 2016 Supp. 79-3607 and repealing the existing
3 section.
4

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

6 Section 1. K.S.A. 2016 Supp. 79-3607 is hereby amended to read as
7 follows: 79-3607. (a) Retailers shall make returns to the director at the
8 times prescribed by this section in the manner prescribed by the director,
9 including electronic filing, upon forms or format prescribed by the director
10 stating: (1) The name and address of the retailer; (2) the total amount of
11 gross sales of all tangible personal property and taxable services rendered
12 by the retailer during the period for which the return is made; (3) the total
13 amount received during the period for which the return is made on charge
14 and time sales of tangible personal property made and taxable services
15 rendered prior to the period for which the return is made; (4) deductions
16 allowed by law from such total amount of gross sales and from total
17 amount received during the period for which the return is made on total
18 charge and time sales; (5) receipts during the period for which the return is
19 made from the total amount of sales of tangible personal property and
20 taxable services rendered during such period in the course of such
21 business, after deductions allowed by law have been made; (6) receipts
22 during the period for which the return is made from charge and time sales
23 of tangible personal property made and taxable services rendered prior to
24 such period in the course of such business, after deductions allowed by law
25 have been made; (7) gross receipts during the period for which the return
26 is made from sales of tangible personal property and taxable services
27 rendered in the course of such business upon the basis of which the tax is
28 imposed. The return shall include such other pertinent information as the
29 director may require. In making such return, the retailer shall determine
30 the market value of any consideration, other than money, received in
31 connection with the sale of any tangible personal property in the course of
32 the business and shall include such value in the return. Such value shall be
33 subject to review and revision by the director as hereinafter provided.
34 Refunds made by the retailer during the period for which the return is
35 made on account of tangible personal property returned to the retailer shall
36 be allowed as a deduction under ~~subdivision~~ *paragraph* (4) of this section

1 in case the retailer has theretofore included the receipts from such sale in a
2 return made by such retailer and paid taxes therein imposed by this act.
3 The retailer shall, at the time of making such return, pay to the director the
4 amount of tax herein imposed, except as otherwise provided in this
5 section. The director may extend the time for making returns and paying
6 the tax required by this act for any period not to exceed 60 days under such
7 rules and regulations as the secretary of revenue may prescribe. When the
8 total tax for which any retailer is liable under this act, does not exceed the
9 sum of \$80 in any calendar year, the retailer shall file an annual return on
10 or before January 25 of the following year. When the total tax liability
11 does not exceed \$3,200 in any calendar year, the retailer shall file returns
12 quarterly on or before the 25th day of the month following the end of each
13 calendar quarter. When the total tax liability exceeds \$3,200 in any
14 calendar year, the retailer shall file a return for each month on or before the
15 25th day of the following month. When the total tax liability exceeds
16 ~~\$32,000~~ \$40,000 in any calendar year, the retailer shall be required to pay
17 the sales tax liability for the first 15 days of each month to the director on
18 or before the 25th day of that month. Any such payment shall accompany
19 the return filed for the preceding month. A retailer will be considered to
20 have complied with the requirements to pay the first 15 days' liability for
21 any month if, on or before the 25th day of that month, the retailer paid 90%
22 of the liability for that fifteen-day period, or 50% of such retailer's liability
23 in the immediate preceding calendar year for the same month as the month
24 in which the fifteen-day period occurs computed at the rate applicable in
25 the month in which the fifteen-day period occurs, and, in either case, paid
26 any underpayment with the payment required on or before the 25th day of
27 the following month. Such retailers shall pay their sales tax liabilities for
28 the remainder of each such month at the time of filing the return for such
29 month. Determinations of amounts of liability in a calendar year for
30 purposes of determining filing requirements shall be made by the director
31 upon the basis of amounts of liability by those retailers during the
32 preceding calendar year or by estimates in cases of retailers having no
33 previous sales tax histories. The director is hereby authorized to modify
34 the filing schedule for any retailer when it is apparent that the original
35 determination was inaccurate.

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

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

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

8 Sec. 2. K.S.A. 2016 Supp. 79-3607 is hereby repealed.

9 Sec. 3. This act shall take effect and be in force from and after its
10 publication in the statute book.