

HOUSE BILL No. 2272

By Committee on Taxation

2-12

1 AN ACT concerning sales taxation; relating to payment of tax by retailers;
2 time of payment for retailers collecting a certain amount of sales tax;
3 amending K.S.A. 2018 Supp. 79-3607 and repealing the existing
4 section.
5

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

7 Section 1. K.S.A. 2018 Supp. 79-3607 is hereby amended to read as
8 follows: 79-3607. (a) Retailers shall make returns to the director at the
9 times prescribed by this section in the manner prescribed by the director,
10 including electronic filing, upon forms or format prescribed by the director
11 stating: (1) The name and address of the retailer; (2) the total amount of
12 gross sales of all tangible personal property and taxable services rendered
13 by the retailer during the period for which the return is made; (3) the total
14 amount received during the period for which the return is made on charge
15 and time sales of tangible personal property made and taxable services
16 rendered prior to the period for which the return is made; (4) deductions
17 allowed by law from such total amount of gross sales and from total
18 amount received during the period for which the return is made on such
19 charge and time sales; (5) receipts during the period for which the return is
20 made from the total amount of sales of tangible personal property and
21 taxable services rendered during such period in the course of such
22 business, after deductions allowed by law have been made; (6) receipts
23 during the period for which the return is made from charge and time sales
24 of tangible personal property made and taxable services rendered prior to
25 such period in the course of such business, after deductions allowed by law
26 have been made; (7) gross receipts during the period for which the return
27 is made from sales of tangible personal property and taxable services
28 rendered in the course of such business upon the basis of which the tax is
29 imposed. The return shall include such other pertinent information as the
30 director may require. In making such return, the retailer shall determine
31 the market value of any consideration, other than money, received in
32 connection with the sale of any tangible personal property in the course of
33 the business and shall include such value in the return. Such value shall be
34 subject to review and revision by the director as hereinafter provided.
35 Refunds made by the retailer during the period for which the return is
36 made on account of tangible personal property returned to the retailer shall

1 be allowed as a deduction under paragraph (4) of this section in case the
2 retailer has theretofore included the receipts from such sale in a return
3 made by such retailer and paid taxes therein imposed by this act. The
4 retailer shall, at the time of making such return, pay to the director the
5 amount of tax herein imposed, except as otherwise provided in this
6 section. The director may extend the time for making returns and paying
7 the tax required by this act for any period not to exceed 60 days under such
8 rules and regulations as the secretary of revenue may prescribe. When the
9 total tax for which any retailer is liable under this act, does not exceed the
10 sum of \$400 in any calendar year, the retailer shall file an annual return on
11 or before January 25 of the following year. When the total tax liability
12 does not exceed \$4,000 in any calendar year, the retailer shall file returns
13 quarterly on or before the 25th day of the month following the end of each
14 calendar quarter. When the total tax liability exceeds \$4,000 in any
15 calendar year, the retailer shall file a return for each month on or before the
16 25th day of the following month. When the total tax liability exceeds
17 \$40,000 in any calendar year *prior to January 1, 2020, or \$60,000 in any*
18 *calendar year on and after January 1, 2020*, the retailer shall be required
19 to pay the sales tax liability for the first 15 days of each month to the
20 director on or before the 25th day of that month. Any such payment shall
21 accompany the return filed for the preceding month. A retailer will be
22 considered to have complied with the requirements to pay the first 15 days'
23 liability for any month if, on or before the 25th day of that month, the
24 retailer paid 90% of the liability for that fifteen-day period, or 50% of such
25 retailer's liability in the immediate preceding calendar year for the same
26 month as the month in which the fifteen-day period occurs computed at the
27 rate applicable in the month in which the fifteen-day period occurs, and, in
28 either case, paid any underpayment with the payment required on or before
29 the 25th day of the following month. Such retailers shall pay their sales tax
30 liabilities for the remainder of each such month at the time of filing the
31 return for such month. Determinations of amounts of liability in a calendar
32 year for purposes of determining filing requirements shall be made by the
33 director upon the basis of amounts of liability by those retailers during the
34 preceding calendar year or by estimates in cases of retailers having no
35 previous sales tax histories. The director is hereby authorized to modify
36 the filing schedule for any retailer when it is apparent that the original
37 determination was inaccurate.

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

1 follows: (1) Upon registration, the director shall provide to the seller the
2 returns required;

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

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

10 Sec. 2. K.S.A. 2018 Supp. 79-3607 is hereby repealed.

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