

HOUSE BILL No. 2255

By Committee on Commerce, Labor and Economic Development

2-7

1 AN ACT concerning economic development; investment in
2 telecommunications machinery and equipment; ~~promoting broadband~~
3 ~~across Kansas sales tax refunds.~~

4
5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. (a) ~~For purchases made on or after July 1, 2013, all 2015,~~
7 ~~the~~ **The amount of** state sales tax paid on the purchase of
8 telecommunications machinery and equipment pursuant to K.S.A. 79-
9 3603, and amendments thereto, by a person providing services pursuant to
10 the provisions of subsection (b) of K.S.A. 79-3603, and amendments
11 thereto, including the services listed in subsection (b) of K.S.A. 79-3603,
12 and amendments thereto, that are not included in telecommunications
13 service pursuant to such provisions, shall be refunded as provided in this
14 section.

15 (b) **(1)** Any claim for refund shall be submitted within three years
16 from the date of payment of the tax. Each claim for a sales tax refund shall
17 be verified and submitted to the director of taxation upon forms furnished
18 by the director and shall be accompanied by any additional documentation
19 required by the director. The director shall review each claim and shall
20 refund the amount of sales tax paid as determined under the provisions of
21 this section. All refunds shall be paid from the sales tax refund fund upon
22 warrants of the director of accounts and reports pursuant to vouchers
23 approved by the director or the director's designee. No interest shall be
24 paid on refunds granted pursuant to this section. In no event shall any city
25 or county sales tax paid on the sale of telecommunications machinery and
26 equipment be refunded pursuant to this section.

27 ~~(2) (A) For claims received on or after July 1, 2015, until~~
28 ~~December 31, 2016, one-half of the amount of the rebate shall be paid;~~

29 ~~(B) For claims received on or after January 1, 2017, and in all~~
30 ~~subsequent calendar years, the full amount of the rebate~~

31 **(2) (A)** *For any claim for refund for state sales tax paid pursuant*
32 *to the provisions of this section, the following shall apply: (i) For claims*
33 *on purchases made from July 1, 2015, to June 30, 2016, 25% of such*
34 *state sales tax paid shall be refunded;*

1 (ii) *for claims on purchases made from July 1, 2016, to June 30,*
2 *2017, 50% of such state sales tax paid shall be refunded;*

3 (iii) *for claims on purchases made from July 1, 2017, to June 30,*
4 *2018, 75% of such state sales tax paid shall be refunded; and*

5 (iv) *for claims on purchases made on and after July 1, 2018, all*
6 *such state sales tax paid shall be refunded.*

7 **(B) Any such refunds shall be paid within 365 consecutive days**
8 **after the date upon which the claim for ~~rebate~~ refund was received by**
9 **the director.**

10 (c) On or before January 31, 2018, the department shall review and
11 report to the speaker of the house, the senate president and the chairs of the
12 house and senate commerce committees on the additional investment and
13 related economic impact of this tax expenditure.

14 (d) For purposes of this section, "telecommunications machinery and
15 equipment" means machinery, equipment and network software that is
16 capable of directly sending, receiving or storing voice or data
17 communications or used to enable, facilitate, maintain or monitor a
18 telecommunications network. "Telecommunications machinery and
19 equipment" includes, but is not limited to: Antennas, amplifiers, wires,
20 cable, fiber optic cable, rectifiers, duplexers, triplexers, multiplexers,
21 receivers, repeaters, transmitters, power equipment, modems, routers,
22 storage devices, closures, conduits, controllers, filters, input devices,
23 insulators, microwave equipment, output devices, pedestals, power
24 converters, radio channels, terminals, timing units, transformers, bridges,
25 network computers, cross connects, plug-in circuitry, oscillators, network
26 software, servers, power transport equipment, test equipment, connectors,
27 attenuators, circuit switches, analog electronic switches, digital electronic
28 switches and switches for operator assistance.

29 (e) The secretary of revenue is hereby authorized to adopt rules and
30 regulations to administer the provisions of this section.

31 Sec. 2. This act shall take effect and be in force from and after its
32 publication in the statute book.