

79-3420. Examination of books, records, returns, property and equipment; secrecy required; exceptions. The director, or any deputy or agent appointed in writing by the director, is hereby authorized to examine the books, papers, records, storage tanks, tank wagons, trucks and any other equipment of any distributor, dealer, transporter, manufacturer, importer, exporter, retailer, user or any other person, pertaining to the use, storage, transportation or sale and delivery of liquid fuels, motor-vehicle fuels or special fuels, to verify the accuracy of any report, statement or payment made under the provisions of this act, or to ascertain whether or not all reports and tax payments required by this act have been made. Any information gained by the director, the director's deputies or agents, as the result of the reports, investigations and verifications herein required to be made, shall be confidential, and shall not be divulged by any person except as herein provided. Every distributor, dealer, transporter, manufacturer, importer, exporter, retailer or user and every person handling or possessing any liquid fuels, motor-vehicle fuels or special fuels shall give the director, or the director's deputy or agent appointed in writing, full and free access during reasonable business hours to all the papers, records and property mentioned, with full opportunity to examine the same. The director, or any deputy or agent appointed in writing by the director, shall examine returns and shall determine the correct amount of the tax. If the tax found due shall be greater than the amount paid, or if a claim for a refund is denied, notice shall be mailed to the taxpayer. Within 60 days after the mailing of such notice, the taxpayer may request an informal conference with the secretary of revenue or the secretary's designee relating to the tax liability by filing a written request with the secretary of revenue or the secretary's designee. Based on the evidence presented at such informal conference, the secretary of revenue or the secretary's designee shall make a final determination within the period prescribed by K.S.A. 79-3226, and amendments thereto, and shall notify the taxpayer of such decision and, if additional amounts are found to be due, such decision shall be accompanied by a notice and demand for payment. Notice under this section shall be sent by first-class mail. The tax shall be paid within 20 days thereafter, together with interest at the rate per month prescribed by subsection (a) of K.S.A. 79-2968, and amendments thereto, on the additional tax from the date the tax was due unless an appeal is taken in the manner provided by law, but no additional tax shall be assessed for less than \$5. Interest at such rate shall continue to accrue on any additional tax liability during the course of any appeal.

Whenever the director of taxation has reason to believe that a person liable for tax under any provisions of the motor-fuel tax law is about to depart from the state or to remove such person's property therefrom, or to conceal oneself or such person's property therein, or to do any other act tending to prejudice, jeopardize or render wholly or partly ineffectual the collection of such motor-fuel tax unless proceedings be brought without delay, the director shall immediately make an assessment for all motor-fuel tax due from such taxpayer, noting such finding on the assessment. The assessment shall be made on the basis of emergency proceedings in accordance with the provisions of K.S.A. 77-536, and amendments thereto. Thereupon, a warrant shall be issued for the collection of the tax as provided in K.S.A. 79-3412, and amendments thereto, except that there shall be no 10-day waiting period before assessment is issued. The taxpayer, within 15 days from the date of filing of such warrant, may request an informal conference with the secretary of revenue or the secretary's designee on the correctness of the assessment. The director may publish the gallons received or imported by each licensed motor-vehicle fuel or special fuel distributor and the deductions claimed by such distributor and such publication shall be an exception to the confidentiality provisions of K.S.A. 75-5133, and amendments thereto. The director may also make available or furnish information to the taxing officials of any other state or of the federal government, or the director of property valuation, in the manner as provided in K.S.A. 74-2424, and amendments thereto.

History: L. 1933, ch. 317, § 20; L. 1939, ch. 330, § 14; L. 1943, ch. 307, § 3; L. 1971, ch. 317, § 1; L. 1990, ch. 354, § 1; L. 1992, ch. 106, § 18; L. 1995, ch. 262, § 39; L. 1997, ch. 126, § 11; L. 2006, ch. 81, § 7; April 13.