

February 16, 2016

The Honorable Marvin Kleeb, Chairperson
House Committee on Taxation
Statehouse, Room 185-N
Topeka, Kansas 66612

Dear Representative Kleeb:

SUBJECT: Fiscal Note for HB 2603 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2603 is respectfully submitted to your committee.

HB 2603 would require a line to be included on all individual income tax returns for the payment of use tax. The bill would require that the tax form instructions provide an explanation of an individual's obligation to pay use tax on items purchased from remote sellers that do not collect Kansas use tax and a method to calculate the amount of use tax that is owed.

The Department of Revenue indicates HB 2603 would have no fiscal effect on State General Fund revenues. The Department indicates that a line for remitting use tax due has been included on individual income tax forms since tax year 2004. The tax instructions also detail a method to calculate the amount of use tax that is owed. The Department indicated that it collected approximately \$990,000 in use taxes from tax year 2014 individual income tax returns.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Jack Smith, Department of Revenue