

As Amended by House Committee

Session of 2017

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~~ **\$400** in any calendar year, the retailer shall file an annual
10 return on or before January 25 of the following year. When the total tax
11 liability does not exceed ~~\$3,200~~ **\$4,000** in any calendar year, the retailer
12 shall file returns quarterly on or before the 25th day of the month following
13 the end of each calendar quarter. When the total tax liability exceeds
14 ~~\$3,200~~ **\$4,000** in any calendar year, the retailer shall file a return for each
15 month on or before the 25th day of the following month. When the total tax
16 liability exceeds ~~\$32,000~~ **\$40,000** in any calendar year, the retailer shall be
17 required to pay the sales tax liability for the first 15 days of each month to
18 the director on or before the 25th day of that month. Any such payment
19 shall accompany the return filed for the preceding month. A retailer will be
20 considered to have complied with the requirements to pay the first 15 days'
21 liability for any month if, on or before the 25th day of that month, the
22 retailer paid 90% of the liability for that fifteen-day period, or 50% of such
23 retailer's liability in the immediate preceding calendar year for the same
24 month as the month in which the fifteen-day period occurs computed at the
25 rate applicable in the month in which the fifteen-day period occurs, and, in
26 either case, paid any underpayment with the payment required on or before
27 the 25th day of the following month. Such retailers shall pay their sales tax
28 liabilities for the remainder of each such month at the time of filing the
29 return for such month. Determinations of amounts of liability in a calendar
30 year for purposes of determining filing requirements shall be made by the
31 director 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
10 **January 1, 2018, and** its publication in the statute book.