

SENATE BILL No. 415

By Committee on Ways and Means

2-8

1 AN ACT concerning the Kansas state fair; relating to state sales tax
2 revenues collected on the Kansas state fairgrounds; deposit of revenues
3 in state fair capital improvements fund; amending K.S.A. 2017 Supp.
4 2-223 and repealing the existing section.
5

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

7 Section 1. K.S.A. 2017 Supp. 2-223 is hereby amended to read as
8 follows: 2-223. (a) There is hereby established in the state treasury the
9 state fair capital improvements fund. All expenditures of moneys in the
10 state fair capital improvements fund shall be used for the payment of
11 capital improvements and maintenance for the state fairgrounds and the
12 payment of capital improvement obligations that have been financed.
13 Capital improvement projects for the Kansas state fairgrounds are hereby
14 approved for the purposes of K.S.A. 74-8905(b), and amendments thereto,
15 and the authorization of the issuance of bonds by the Kansas development
16 finance authority in accordance with that statute.

17 (b) On each June 30, the state fair board shall certify to the director of
18 accounts and reports an amount to be transferred from the state fair fee
19 fund to the state fair capital improvements fund, which amount shall be not
20 less than the amount equal to 5% of the total gross receipts during the
21 current fiscal year from state fair activities and non-fair days activities,
22 except that:

23 (1) For the fiscal year ending June 30, 2018, notwithstanding the
24 other provisions of this section, on March 1, 2018, or as soon thereafter as
25 moneys are available therefor, the director of accounts and reports shall
26 transfer from the state fair fee fund to the state fair capital improvements
27 fund the amount equal to the greater of \$300,000 or the amount equal to
28 5% of the total gross receipts during fiscal year 2018 from state fair
29 activities and non-fair days activities through March 1, 2018, except that,
30 subject to approval by the director of the budget prior to March 1, 2018,
31 after reviewing the amounts credited to the state fair fee fund and the state
32 fair capital improvements fund, cash flow considerations for the state fair
33 fee fund, and the amount required to be credited to the state fair capital
34 improvements fund pursuant to this subsection to pay the bonded debt

1 service payment due on April 1, 2018, the state fair board may certify an
2 amount on March 1, 2018, to the director of accounts and reports to be
3 transferred from the state fair fee fund to the state fair capital
4 improvements fund that is equal to the amount required to be credited to
5 the state fair capital improvements fund pursuant to this subsection to pay
6 the bonded debt service payment due on April 1, 2018, and shall certify to
7 the director of accounts and reports on the date specified by the director of
8 the budget the amount equal to the balance of the aggregate amount that is
9 required to be transferred from the state fair fee fund to the state fair
10 capital improvements fund for fiscal year 2018. Upon receipt of any such
11 certification, the director of accounts and reports shall transfer moneys
12 from the state fair fee fund to the state fair capital improvements fund in
13 accordance with such certification; and

14 (2) for the fiscal year ending June 30, 2019, notwithstanding the other
15 provisions of this section, on March 1, 2019, or as soon thereafter as
16 moneys are available therefor, the director of accounts and reports shall
17 transfer from the state fair fee fund to the state fair capital improvements
18 fund the amount equal to the greater of \$300,000 or the amount equal to
19 5% of the total gross receipts during fiscal year 2019 from state fair
20 activities and non-fair days activities through March 1, 2019, except that,
21 subject to approval by the director of the budget prior to March 1, 2019,
22 after reviewing the amounts credited to the state fair fee fund and the state
23 fair capital improvements fund, cash flow considerations for the state fair
24 fee fund, and the amount required to be credited to the state fair capital
25 improvements fund pursuant to this subsection to pay the bonded debt
26 service payment due on April 1, 2019, the state fair board may certify an
27 amount on March 1, 2019, to the director of accounts and reports to be
28 transferred from the state fair fee fund to the state fair capital
29 improvements fund that is equal to the amount required to be credited to
30 the state fair capital improvements fund pursuant to this subsection to pay
31 the bonded debt service payment due on April 1, 2019, and shall certify to
32 the director of accounts and reports on the date specified by the director of
33 the budget the amount equal to the balance of the aggregate amount that is
34 required to be transferred from the state fair fee fund to the state fair
35 capital improvements fund for fiscal year 2019. Upon receipt of any such
36 certification, the director of accounts and reports shall transfer moneys
37 from the state fair fee fund to the state fair capital improvements fund in
38 accordance with such certification.

39 ~~(e) On each July 1, the director of accounts and reports shall transfer~~
40 ~~from the state general fund to the state fair capital improvements fund, an~~
41 ~~amount equal to the amount certified by the state fair board pursuant to~~
42 ~~subsection (b), except that: (1) No transfer from the state general fund~~
43 ~~under this subsection shall exceed \$300,000 in any fiscal year except for~~

1 the fiscal years ending June 30, 2018, and June 30, 2019, the transfer shall
2 not exceed \$100,000 ~~Notwithstanding any provision to the contrary in the~~
3 ~~Kansas retailers' sales tax act, state sales tax levied pursuant to K.S.A. 79-~~
4 ~~3603, and amendments thereto, and collected by the Kansas state fair or~~
5 ~~any retailer upon the gross receipts received from the sale of tangible~~
6 ~~personal property at retail while on the Kansas state fairgrounds, shall be~~
7 ~~remitted to the director of taxation who shall remit all such state sales tax~~
8 ~~revenue to the state treasurer in accordance with the provisions of K.S.A.~~
9 ~~75-4215, and amendments thereto. Upon receipt of each such remittance,~~
10 ~~the state treasurer shall deposit the entire amount in the state treasury to~~
11 ~~the credit of the state fair capital improvements fund established in this~~
12 ~~section.~~

13 **New Sec. 2. (a) Notwithstanding any provision to the contrary in**
14 **the Kansas retailers' sales tax act, state sales tax levied pursuant to**
15 **K.S.A. 79-3603, and amendments thereto, and collected by the Kansas**
16 **state fair or any retailer upon the gross receipts received from the sale of**
17 **tangible personal property at retail while on the Kansas state**
18 **fairgrounds, shall be remitted to the director of taxation who shall remit**
19 **all such state sales tax revenue to the state treasurer in accordance with**
20 **the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt**
21 **of each such remittance, the state treasurer shall deposit the entire**
22 **amount in the state treasury and credit to the state highway fund the**
23 **same percentage in effect and credited pursuant to K.S.A. 79-3620(c),**
24 **and amendments thereto, of the sales tax revenue collected and the**
25 **remainder to be credited to the state fair capital improvements fund**
26 **established pursuant to K.S.A. 2-223, and amendments thereto. {The**
27 **provisions of this section shall expire and have no effect if the state fair**
28 **is located outside the city limits of the city of Hutchinson, Kansas.}**

29 **(b) The provisions of this section shall be part of and supplemental**
30 **to the Kansas sales tax act.**

31 ~~Sec. 2. 3.~~ K.S.A. 2017 Supp. 2-223 is hereby repealed.

32 ~~Sec. 3. 4.~~ This act shall take effect and be in force from and after its
33 publication in the statute book.