

HOUSE BILL No. 2490

By Committee on Taxation

2-21

9 AN ACT concerning taxation; relating to city and county retailers' sales
10 tax; classes of cities; amending K.S.A. 12-195b and K.S.A. 2004 Supp.
11 12-187, 12-189 and 12-192 and repealing the existing sections; also
12 repealing K.S.A. 2004 Supp. 12-188 and 12-194.
13

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

15 Section 1. K.S.A. 2004 Supp. 12-187 is hereby amended to read as
16 follows: 12-187. (a) ~~(1)~~ No city shall impose a retailers' sales tax under
17 the provisions of this act without the governing body of such city having
18 first submitted such proposition to and having received the approval of a
19 majority of the electors of the city voting thereon at an election called
20 and held therefor. The governing body of any city may submit the ques-
21 tion of imposing a retailers' sales tax and the governing body shall be
22 required to submit the question upon submission of a petition signed by
23 electors of such city equal in number to not less than 10% of the electors
24 of such city.

25 ~~(2) The governing body of any class B city located in any county which~~
26 ~~does not impose a countywide retailers' sales tax pursuant to paragraph~~
27 ~~(5) of subsection (b) may submit the question of imposing a retailers' sales~~
28 ~~tax at the rate of .25%, .5%, .75% or 1% and pledging the revenue re-~~
29 ~~ceived therefrom for the purpose of financing the provision of health care~~
30 ~~services, as enumerated in the question, to the electors at an election~~
31 ~~called and held thereon. The tax imposed pursuant to this paragraph shall~~
32 ~~be deemed to be in addition to the rate limitations prescribed in K.S.A.~~
33 ~~12-189, and amendments thereto. As used in this paragraph, health care~~
34 ~~services shall include but not be limited to the following: Local health~~
35 ~~departments, city, county or district hospitals, city or county nursing~~
36 ~~homes, preventive health care services including immunizations, prenatal~~
37 ~~care and the postponement of entry into nursing homes by home health~~
38 ~~care services, mental health services, indigent health care, physician or~~
39 ~~health care worker recruitment, health education, emergency medical~~
40 ~~services, rural health clinics, integration of health care services, home~~
41 ~~health services and rural health networks.~~

42 (b) ~~(1)~~ The board of county commissioners of any county may submit
43 the question of imposing a countywide retailers' sales tax to the electors

1 at an election called and held thereon, and any such board shall be re-
2 quired to submit the question upon submission of a petition signed by
3 electors of such county equal in number to not less than 10% of the
4 electors of such county who voted at the last preceding general election
5 for the office of secretary of state, or upon receiving resolutions request-
6 ing such an election passed by not less than $\frac{2}{3}$ of the membership of the
7 governing body of each of one or more cities within such county which
8 contains a population of not less than 25% of the entire population of the
9 county, or upon receiving resolutions requesting such an election passed
10 by $\frac{2}{3}$ of the membership of the governing body of each of one or more
11 taxing subdivisions within such county which levy not less than 25% of
12 the property taxes levied by all taxing subdivisions within the county.

13 ~~(2) The board of county commissioners of Anderson, Atchison, Bar-~~
14 ~~ton, Butler, Chase, Cowley, Cherokee, Crawford, Ford, Jefferson, Lyon,~~
15 ~~Montgomery, Neosho, Osage, Ottawa, Riley, Saline, Seward, Sumner,~~
16 ~~Wabaunsee, Wilson and Wyandotte counties may submit the question of~~
17 ~~imposing a countywide retailers' sales tax and pledging the revenue re-~~
18 ~~ceived therefrom for the purpose of financing the construction or re-~~
19 ~~modeling of a courthouse, jail, law enforcement center facility or other~~
20 ~~county administrative facility, to the electors at an election called and~~
21 ~~held thereon. The tax imposed pursuant to this paragraph shall expire~~
22 ~~when sales tax sufficient to pay all of the costs incurred in the financing~~
23 ~~of such facility has been collected by retailers as determined by the sec-~~
24 ~~retary of revenue. Nothing in this paragraph shall be construed to allow~~
25 ~~the rate of tax imposed by Butler, Chase, Cowley, Lyon, Montgomery,~~
26 ~~Neosho, Riley, Sumner or Wilson county pursuant to this paragraph to~~
27 ~~exceed or be imposed at any rate other than the rates prescribed in K.S.A.~~
28 ~~12-189, and amendments thereto.~~

29 ~~—(3) (A) Except as otherwise provided in this paragraph, the result of~~
30 ~~the election held on November 8, 1988, on the question submitted by~~
31 ~~the board of county commissioners of Jackson county for the purpose of~~
32 ~~increasing its countywide retailers' sales tax by 1% is hereby declared~~
33 ~~valid, and the revenue received therefrom by the county shall be ex-~~
34 ~~pende solely for the purpose of financing the Banner Creek reservoir~~
35 ~~project. The tax imposed pursuant to this paragraph shall take effect on~~
36 ~~the effective date of this act and shall expire not later than five years after~~
37 ~~such date.~~

38 ~~—(B) The result of the election held on November 8, 1994, on the~~
39 ~~question submitted by the board of county commissioners of Ottawa~~
40 ~~county for the purpose of increasing its countywide retailers' sales tax by~~
41 ~~1% is hereby declared valid, and the revenue received therefrom by the~~
42 ~~county shall be expended solely for the purpose of financing the erection,~~
43 ~~construction and furnishing of a law enforcement center and jail facility.~~

1 —(4)— The board of county commissioners of Finney and Ford counties
2 may submit the question of imposing a countywide retailers' sales tax at
3 the rate of .25% and pledging the revenue received therefrom for the
4 purpose of financing all or any portion of the cost to be paid by Finney
5 or Ford county for construction of highway projects identified as system
6 enhancements under the provisions of paragraph (5) of subsection (b) of
7 K.S.A. 68-2314, and amendments thereto, to the electors at an election
8 called and held thereon. Such election shall be called and held in the
9 manner provided by the general bond law. The tax imposed pursuant to
10 this paragraph shall expire upon the payment of all costs authorized pur-
11 suant to this paragraph in the financing of such highway projects. Nothing
12 in this paragraph shall be construed to allow the rate of tax imposed by
13 Finney or Ford county pursuant to this paragraph to exceed the maximum
14 rate prescribed in K.S.A. 12-189, and amendments thereto. If any funds
15 remain upon the payment of all costs authorized pursuant to this para-
16 graph in the financing of such highway projects in Finney county, the
17 state treasurer shall remit such funds to the treasurer of Finney county
18 and upon receipt of such moneys shall be deposited to the credit of the
19 county road and bridge fund. If any funds remain upon the payment of
20 all costs authorized pursuant to this paragraph in the financing of such
21 highway projects in Ford county, the state treasurer shall remit such funds
22 to the treasurer of Ford county and upon receipt of such moneys shall
23 be deposited to the credit of the county road and bridge fund.

24 —(5)— The board of county commissioners of any county may submit the
25 question of imposing a retailers' sales tax at the rate of .25%, .5%, .75%
26 or 1% and pledging the revenue received therefrom for the purpose of
27 financing the provision of health care services, as enumerated in the ques-
28 tion, to the electors at an election called and held thereon. Whenever any
29 county imposes a tax pursuant to this paragraph, any tax imposed pursuant
30 to paragraph (2) of subsection (a) by any city located in such county shall
31 expire upon the effective date of the imposition of the countywide tax,
32 and thereafter the state treasurer shall remit to each such city that portion
33 of the countywide tax revenue collected by retailers within such city as
34 certified by the director of taxation. The tax imposed pursuant to this
35 paragraph shall be deemed to be in addition to the rate limitations pre-
36 scribed in K.S.A. 12-189, and amendments thereto. As used in this par-
37 agraph, health care services shall include but not be limited to the follow-
38 ing: Local health departments, city or county hospitals, city or county
39 nursing homes, preventive health care services including immunizations,
40 prenatal care and the postponement of entry into nursing homes by home
41 care services, mental health services, indigent health care, physician or
42 health care worker recruitment, health education, emergency medical
43 services, rural health clinics, integration of health care services, home

1 health services and rural health networks.

2 ~~—(6)—The board of county commissioners of Allen county may submit~~
3 ~~the question of imposing a countywide retailers' sales tax at the rate of~~
4 ~~.5% and pledging the revenue received therefrom for the purpose of~~
5 ~~financing the costs of operation and construction of a solid waste disposal~~
6 ~~area or the modification of an existing landfill to comply with federal~~
7 ~~regulations to the electors at an election called and held thereon. The tax~~
8 ~~imposed pursuant to this paragraph shall expire upon the payment of all~~
9 ~~costs incurred in the financing of the project undertaken. Nothing in this~~
10 ~~paragraph shall be construed to allow the rate of tax imposed by Allen~~
11 ~~county pursuant to this paragraph to exceed or be imposed at any rate~~
12 ~~other than the rates prescribed in K.S.A. 12-189 and amendments~~
13 ~~thereto.~~

14 ~~—(7)—The board of county commissioners of Clay, Dickinson and Miami~~
15 ~~county may submit the question of imposing a countywide retailers' sales~~
16 ~~tax at the rate of .50% in the case of Clay and Dickinson county and at a~~
17 ~~rate of up to 1% in the case of Miami county, and pledging the revenue~~
18 ~~received therefrom for the purpose of financing the costs of roadway~~
19 ~~construction and improvement to the electors at an election called and~~
20 ~~held thereon. Except as otherwise provided, the tax imposed pursuant to~~
21 ~~this paragraph shall expire after five years from the date such tax is first~~
22 ~~collected. The countywide retailers' sales tax imposed pursuant to this~~
23 ~~subsection in Clay county may be extended or reenacted for additional~~
24 ~~five-year periods upon the board of county commissioners of Clay county~~
25 ~~submitting such question to the electors at an election called and held~~
26 ~~thereon for each additional five-year period as provided by law.~~

27 ~~—(8)—The board of county commissioners of Sherman county may sub-~~
28 ~~mit the question of imposing a countywide retailers' sales tax at the rate~~
29 ~~of .25%, .5% or .75% and pledging the revenue therefrom for the purpose~~
30 ~~of financing the costs of the county roads 64 and 65 construction and~~
31 ~~improvement project. The tax imposed pursuant to this paragraph shall~~
32 ~~expire upon payment of all costs authorized pursuant to this paragraph~~
33 ~~in the financing of such project.~~

34 ~~—(9)—The board of county commissioners of Cowley, Russell and~~
35 ~~Woodson county may submit the question of imposing a countywide re-~~
36 ~~tailers' sales tax at the rate of .5% in the case of Russell and Woodson~~
37 ~~county and at a rate of up to .25%, in the case of Cowley county and~~
38 ~~pledging the revenue received therefrom for the purpose of financing~~
39 ~~economic development initiatives or public infrastructure projects. The~~
40 ~~tax imposed pursuant to this paragraph shall expire after five years from~~
41 ~~the date such tax is first collected.~~

42 ~~—(10)—The board of county commissioners of Franklin county may sub-~~
43 ~~mit the question of imposing a countywide retailers' sales tax at the rate~~

1 of .25% and pledging the revenue received therefrom for the purpose of
2 financing recreational facilities. The tax imposed pursuant to this para-
3 graph shall expire upon payment of all costs authorized in financing such
4 facilities.

5 ~~—(11) The board of county commissioners of Douglas county may sub-~~
6 ~~mit to the question of imposing a countywide retailers' sales tax at the~~
7 ~~rate of .25% and pledging the revenue received therefrom for the pur-~~
8 ~~poses of preservation, access and management of open space, and for~~
9 ~~industrial and business park related economic development.~~

10 ~~—(12) The board of county commissioners of Shawnee county may sub-~~
11 ~~mit the question of imposing a countywide retailers' sales tax at the rate~~
12 ~~of .25% and pledging the revenue received therefrom to the city of To-~~
13 ~~peka for the purpose of financing the costs of rebuilding the Topeka~~
14 ~~boulevard bridge and other public infrastructure improvements associ-~~
15 ~~ated with such project to the electors at an election called and held~~
16 ~~thereon. The tax imposed pursuant to this paragraph shall expire upon~~
17 ~~payment of all costs authorized in financing such project.~~

18 ~~—(13) The board of county commissioners of Jackson county may sub-~~
19 ~~mit the question of imposing a countywide retailers' sales tax at a rate of~~
20 ~~.4% and pledging the revenue received therefrom as follows: 50% of such~~
21 ~~revenues for the purpose of financing for economic development initia-~~
22 ~~tives; and 50% of such revenues for the purpose of financing public in-~~
23 ~~frastructure projects to the electors at an election called and held thereon.~~
24 ~~The tax imposed pursuant to this paragraph shall expire after seven years~~
25 ~~from the date such tax is first collected.~~

26 (c) The boards of county commissioners of any two or more contig-
27 uous counties, upon adoption of a joint resolution by such boards, may
28 submit the question of imposing a retailers' sales tax within such counties
29 to the electors of such counties at an election called and held thereon
30 and such boards of any two or more contiguous counties shall be required
31 to submit such question upon submission of a petition in each of such
32 counties, signed by a number of electors of each of such counties where
33 submitted equal in number to not less than 10% of the electors of each
34 of such counties who voted at the last preceding general election for the
35 office of secretary of state, or upon receiving resolutions requesting such
36 an election passed by not less than $\frac{2}{3}$ of the membership of the governing
37 body of each of one or more cities within each of such counties which
38 contains a population of not less than 25% of the entire population of
39 each of such counties, or upon receiving resolutions requesting such an
40 election passed by $\frac{2}{3}$ of the membership of the governing body of each
41 of one or more taxing subdivisions within each of such counties which
42 levy not less than 25% of the property taxes levied by all taxing subdivi-
43 sions within each of such counties.

1 (d) Any city retailers' sales tax ~~in the amount of .5%~~ being levied by
2 a city ~~on~~ prior to July 1, 1990 2005, shall continue in effect until repealed
3 in the manner provided herein for the adoption and approval of such tax
4 or until repealed by the adoption of an ordinance ~~so providing. In addition~~
5 ~~to any city retailers' sales tax being levied by a city on July 1, 1990, any~~
6 ~~such city may adopt an additional city retailers' sales tax in the amount of~~
7 ~~.25% or .5%, provided that such additional tax is adopted and approved~~
8 ~~in the manner provided for the adoption and approval of a city retailers'~~
9 ~~sales tax for such repeal. Any countywide retailers' sales tax in the amount~~
10 ~~of .5% or 1% in effect on July 1, 1990 being levied by a county prior to~~
11 ~~July 1, 2005, shall continue in effect until repealed in the manner pro-~~
12 ~~vided herein for the adoption and approval of such tax.~~

13 (e) ~~A class D city shall have the same power to levy and collect a city~~
14 ~~retailers' sales tax that a class A city is authorized to levy and collect and~~
15 ~~in addition, the governing body of any class D city may submit the ques-~~
16 ~~tion of imposing an additional city retailers' sales tax in the amount of~~
17 ~~.125%, .25%, .5% or .75% and pledging the revenue received therefrom~~
18 ~~for economic development initiatives, strategic planning initiatives or for~~
19 ~~public infrastructure projects including buildings to the electors at an~~
20 ~~election called and held thereon. Any additional sales tax imposed pur-~~
21 ~~suant to this paragraph shall expire no later than five years from the date~~
22 ~~of imposition thereof, except that any such tax imposed by any class D~~
23 ~~city after the effective date of this act shall expire no later than 10 years~~
24 ~~from the date of imposition thereof.~~

25 ~~(f)~~ Any city or county proposing to adopt a retailers' sales tax shall
26 give notice of its intention to submit such proposition for approval by the
27 electors in the manner required by K.S.A. 10-120, and amendments
28 thereto. The notices shall state the time of the election and the rate and
29 effective date of the proposed tax. If a majority of the electors voting
30 thereon at such election fail to approve the proposition, such proposition
31 may be resubmitted under the conditions and in the manner provided in
32 this act for submission of the proposition. If a majority of the electors
33 voting thereon at such election shall approve the levying of such tax, the
34 governing body of any such city or county shall provide by ordinance or
35 resolution, as the case may be, for the levy of the tax. Any repeal of such
36 tax or any reduction or increase in the rate thereof, ~~within the limits~~
37 ~~prescribed by K.S.A. 12-189, and amendments thereto,~~ shall be accom-
38 plished in the manner provided herein for the adoption and approval of
39 such tax except that the repeal of any such city retailers' sales tax may be
40 accomplished by the adoption of an ordinance so providing.

41 ~~(g)~~ (f) The sufficiency of the number of signers of any petition filed
42 under this section shall be determined by the county election officer.
43 Every election held under this act shall be conducted by the county elec-

1 tion officer.

2 ~~(h)~~ (g) The governing body of the city or county proposing to levy
3 any retailers' sales tax shall specify the purpose or purposes for which the
4 revenue would be used, and a statement generally describing such pur-
5 pose or purposes shall be included as a part of the ballot proposition.

6 Sec. 2. K.S.A. 2004 Supp. 12-189 is hereby amended to read as fol-
7 lows: 12-189. ~~Except as otherwise provided by paragraph (2) of subsection~~
8 ~~(a) of K.S.A. 12-187, and amendments thereto, (a) The rate of any class~~
9 ~~A, class B or class C city retailers' sales tax shall be fixed in the an amount~~
10 ~~of .25%, .5%, .75% or 1% which amount shall be determined by the~~
11 ~~governing body of the city. Except as otherwise provided by paragraph~~
12 ~~(2) of subsection (a) of K.S.A. 12-187, and amendments thereto, the rate~~
13 ~~of any class D city retailers' sales tax shall be fixed in the amount of .10%,~~
14 ~~.25%, .5%, .75%, 1%, 1.125%, 1.25%, 1.5% or 1.75%.~~

15 (b) The rate of any countywide retailers' sales tax shall be fixed in an
16 amount of either .25%, .5%, .75% or 1% which amount shall be deter-
17 mined by the board of county commissioners, ~~except that:~~

18 ~~—(a)—The board of county commissioners of Wabaunsee county, for the~~
19 ~~purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and amend-~~
20 ~~ments thereto, may fix such rate at 1.25%, the board of county commis-~~
21 ~~sioners of Osage county, for the purposes of paragraph (2) of subsection~~
22 ~~(b) of K.S.A. 12-187, and amendments thereto, may fix such rate at 1.25%~~
23 ~~or 1.5%, the board of county commissioners of Cherokee, Crawford,~~
24 ~~Ford, Saline, Seward or Wyandotte county, for the purposes of paragraph~~
25 ~~(2) of subsection (b) of K.S.A. 12-187, and amendments thereto, may fix~~
26 ~~such rate at 1.5%, the board of county commissioners of Atchison county,~~
27 ~~for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and~~
28 ~~amendments thereto, may fix such rate at 1.5% or 1.75% and the board~~
29 ~~of county commissioners of Anderson, Barton, Jefferson or Ottawa~~
30 ~~county, for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-~~
31 ~~187, and amendments thereto, may fix such rate at 2%;~~

32 ~~—(b)—the board of county commissioners of Jackson county, for the~~
33 ~~purposes of paragraph (3) of subsection (b) of K.S.A. 12-187, and amend-~~
34 ~~ments thereto, may fix such rate at 2%;~~

35 ~~—(c)—the boards of county commissioners of Finney and Ford counties,~~
36 ~~for the purposes of paragraph (4) of subsection (b) of K.S.A. 12-187, and~~
37 ~~amendments thereto, may fix such rate at .25%;~~

38 ~~—(d)—the board of county commissioners of any county for the purposes~~
39 ~~of paragraph (5) of subsection (b) of K.S.A. 12-187, and amendments~~
40 ~~thereto, may fix such rate at a percentage which is equal to the sum of~~
41 ~~the rate allowed to be imposed by a board of county commissioners on~~
42 ~~the effective date of this act plus .25%, .5%, .75% or 1%, as the case~~
43 ~~requires;~~

- 1 ~~—(c) the board of county commissioners of Dickinson county, for the~~
2 ~~purposes of paragraph (7) of subsection (b) of K.S.A. 12-187, and amend-~~
3 ~~ments thereto, may fix such rate at 1.5%, and the board of county com-~~
4 ~~missioners of Miami county, for the purposes of paragraph (7) of subsec-~~
5 ~~tion (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at~~
6 ~~1.25%, 1.5%, 1.75% or 2%;~~
- 7 ~~—(f) the board of county commissioners of Sherman county, for the~~
8 ~~purposes of paragraph (8) of subsection (b) of K.S.A. 12-187, and amend-~~
9 ~~ments thereto, may fix such rate at 1.5%, 1.75% or 2%;~~
- 10 ~~—(g) the board of county commissioners of Russell county for the pur-~~
11 ~~poses of paragraph (9) of subsection (b) of K.S.A. 12-187, and amend-~~
12 ~~ments thereto, may fix such rate at 1.5%;~~
- 13 ~~—(h) the board of county commissioners of Franklin county, for the~~
14 ~~purposes of paragraph (10) of subsection (b) of K.S.A. 12-187, and~~
15 ~~amendments thereto, may fix such rate at 1.75%;~~
- 16 ~~—(i) the board of county commissioners of Douglas county, for the~~
17 ~~purposes of paragraph (11) of subsection (b) of K.S.A. 12-187, and~~
18 ~~amendments thereto, may fix such rate at 1.25%, or~~
- 19 ~~—(j) the board of county commissioners of Jackson county, for the pur-~~
20 ~~poses of subsection (b)(13) of K.S.A. 12-187 and amendments thereto,~~
21 ~~may fix such rate at 1.4%.~~
- 22 (c) Any county or city levying a retailers' sales tax is hereby prohibited
23 from administering or collecting such tax locally, but shall utilize the serv-
24 ices of the state department of revenue to administer, enforce and collect
25 such tax. Except as otherwise specifically provided in K.S.A. 12-189a, and
26 amendments thereto, such tax shall be identical in its application, and
27 exemptions therefrom, to the Kansas retailers' sales tax act and all laws
28 and administrative rules and regulations of the state department of rev-
29 enue relating to the Kansas retailers' sales tax shall apply to such local
30 sales tax insofar as such laws and rules and regulations may be made
31 applicable. The state director of taxation is hereby authorized to admin-
32 ister, enforce and collect such local sales taxes and to adopt such rules
33 and regulations as may be necessary for the efficient and effective ad-
34 ministration and enforcement thereof.
- 35 (d) Upon receipt of a certified copy of an ordinance or resolution
36 authorizing the levy of a local retailers' sales tax, the director of taxation
37 shall cause such taxes to be collected within or without the boundaries of
38 such taxing subdivision at the same time and in the same manner provided
39 for the collection of the state retailers' sales tax. Such copy shall be sub-
40 mitted to the director of taxation within 30 days after adoption of any
41 such ordinance or resolution. All moneys collected by the director of
42 taxation under the provisions of this section shall be credited to a county
43 and city retailers' sales tax fund which fund is hereby established in the

1 state treasury. Any refund due on any county or city retailers' sales tax
2 collected pursuant to this act shall be paid out of the sales tax refund fund
3 and reimbursed by the director of taxation from collections of local re-
4 tailers' sales tax revenue. Except for local retailers' sales tax revenue re-
5 quired to be deposited in the redevelopment bond fund established under
6 K.S.A. 74-8927, and amendments thereto, all local retailers' sales tax re-
7 venue collected within any county or city pursuant to this act shall be
8 apportioned and remitted at least quarterly by the state treasurer, on
9 instruction from the director of taxation, to the treasurer of such county
10 or city.

11 (e) Revenue that is received from the imposition of a local retailers'
12 sales tax which exceeds the amount of revenue required to pay the costs
13 of a special project for which such revenue was pledged shall be credited
14 to the city or county general fund, as the case requires.

15 (f) The director of taxation shall provide, upon request by a city or
16 county clerk or treasurer of any city or county levying a local retailers'
17 sales tax, monthly reports identifying each retailer having a place of busi-
18 ness in such city or county setting forth the tax liability and the amount
19 of such tax remitted by each retailer during the preceding month and
20 identifying each business location maintained by the retailer within such
21 city or county. Such report shall be made available to the clerk or treasurer
22 of such city or county within a reasonable time after it has been requested
23 from the director of taxation. The director of taxation shall be allowed to
24 assess a reasonable fee for the issuance of such report. Information re-
25 ceived by any city or county pursuant to this section shall be confidential,
26 and it shall be unlawful for any officer or employee of such city or county
27 to divulge any such information in any manner. Any violation of this par-
28 agraph by a city or county officer or employee is a class B misdemeanor,
29 and such officer or employee shall be dismissed from office.

30 Sec. 3. K.S.A. 2004 Supp. 12-192 is hereby amended to read as fol-
31 lows: 12-192. (a) ~~Except as otherwise provided by subsection (b), (d) or~~
32 ~~(h),~~ All revenue received by the director of taxation from a countywide
33 retailers' sales tax shall be apportioned among the county and each city
34 located in such county in the following manner: (1) One-half of all reve-
35 nue received by the director of taxation shall be apportioned among the
36 county and each city located in such county in the proportion that the
37 total tangible property tax levies made in such county in the preceding
38 year for all funds of each such governmental unit bear to the total of all
39 such levies made in the preceding year, and (2) ½ of all revenue received
40 by the director of taxation from such countywide retailers' sales tax shall
41 be apportioned among the county and each city located in such county,
42 first to the county that portion of the revenue equal to the proportion
43 that the population of the county residing in the unincorporated area of

1 the county bears to the total population of the county, and second to the
2 cities in the proportion that the population of each city bears to the total
3 population of the county, except that no persons residing within the Fort
4 Riley military reservation shall be included in the determination of the
5 population of any city located within Riley county. All revenue appor-
6 tioned to a county shall be paid to its county treasurer and shall be cred-
7 ited to the general fund of the county.

8 ~~(b) (1) As an alternative and in lieu of the apportionment formula~~
9 ~~provided in subsection (a), all revenue received by the director of taxation~~
10 ~~from a countywide retailers' sales tax imposed within Johnson county at~~
11 ~~the rate of .75% or 1% after the effective date of this act may be appor-~~
12 ~~tioned among the county and each city located in such county in the~~
13 ~~following manner: (A) The revenue received from the first .5% rate of~~
14 ~~tax shall be apportioned in the manner prescribed by subsection (a) and~~
15 ~~(B) the revenue received from the rate of tax exceeding .5% shall be~~
16 ~~apportioned as follows: (i) One-fourth shall be apportioned among the~~
17 ~~county and each city located in such county in the proportion that the~~
18 ~~total tangible property tax levies made in such county in the preceding~~
19 ~~year for all funds of each such governmental unit bear to the total of all~~
20 ~~such levies made in the preceding year and (ii) one-fourth shall be ap-~~
21 ~~portioned among the county and each city located in such county, first to~~
22 ~~the county that portion of the revenue equal to the proportion that the~~
23 ~~population of the county residing in the unincorporated area of the county~~
24 ~~bears to the total population of the county, and second to the cities in the~~
25 ~~proportion that the population of each city bears to the total population~~
26 ~~of the county and (iii) one-half shall be retained by the county for its sole~~
27 ~~use and benefit.~~

28 ~~—(2) In lieu of the apportionment formula provided in subsection (a),~~
29 ~~all money received by the director of taxation from a countywide sales tax~~
30 ~~imposed within Montgomery county pursuant to the election held on~~
31 ~~November 8, 1994, shall be remitted to and shall be retained by the~~
32 ~~county and expended only for the purpose for which the revenue received~~
33 ~~from the tax was pledged. All revenue apportioned and paid from the~~
34 ~~imposition of such tax to the treasurer of any city prior to the effective~~
35 ~~date of this act shall be remitted to the county treasurer and expended~~
36 ~~only for the purpose for which the revenue received from the tax was~~
37 ~~pledged. All alternative apportionment formulas between county and each~~
38 ~~city located therein and in place prior to July 1, 2005, shall remain in~~
39 ~~effect.~~

40 (c) (1) Except as otherwise provided by paragraph (2) of this subsec-
41 tion, for purposes of subsections (a) and (b), the term “total tangible
42 property tax levies” means the aggregate dollar amount of tax revenue
43 derived from ad valorem tax levies applicable to all tangible property

1 located within each such city or county. The ad valorem property tax levy
2 of any county or city district entity or subdivision shall be included within
3 this term if the levy of any such district entity or subdivision is applicable
4 to all tangible property located within each such city or county.

5 (2) For the purposes of subsections (a) and (b), any ad valorem prop-
6 erty tax levied on property located in a city in Johnson county for the
7 purpose of providing fire protection service in such city shall be included
8 within the term “total tangible property tax levies” for such city regardless
9 of its applicability to all tangible property located within each such city.
10 If the tax is levied by a district which extends across city boundaries, for
11 purposes of this computation, the amount of such levy shall be appor-
12 tioned among each city in which such district extends in the proportion
13 that such tax levied within each city bears to the total tax levied by the
14 district.

15 ~~(d) (1) All revenue received from a countywide retailers’ sales tax~~
16 ~~imposed pursuant to paragraphs (2), (6), (7), (8), (9) or (12) of subsection~~
17 ~~(b) of K.S.A. 12-187, and amendments thereto, shall be remitted to and~~
18 ~~shall be retained by the county and expended only for the purpose for~~
19 ~~which the revenue received from the tax was pledged.~~

20 ~~—(2) Except as otherwise provided in paragraph (5) of subsection (b)~~
21 ~~of K.S.A. 12-187, and amendments thereto, all revenues received from a~~
22 ~~countywide retailers’ sales tax imposed pursuant to paragraph (5) of sub-~~
23 ~~section (b) of K.S.A. 12-187, and amendments thereto, shall be remitted~~
24 ~~to and shall be retained by the county and expended only for the purpose~~
25 ~~for which the revenue received from the tax was pledged.~~

26 ~~—(e) All revenue apportioned to the several cities of the county shall~~
27 ~~be paid to the respective treasurers thereof and deposited in the general~~
28 ~~fund of the city. Whenever the territory of any city is located in two or~~
29 ~~more counties and any one or more of such counties do not levy a coun-~~
30 ~~tywide retailers’ sales tax, or whenever such counties do not levy coun-~~
31 ~~tywide retailers’ sales taxes at a uniform rate, the revenue received by~~
32 ~~such city from the proceeds of the countywide retailers’ sales tax, as an~~
33 ~~alternative to depositing the same in the general fund, may be used for~~
34 ~~the purpose of reducing the tax levies of such city upon the taxable tan-~~
35 ~~gible property located within the county levying such countywide retail-~~
36 ~~ers’ sales tax.~~

37 ~~(f) (e) Prior to March 1 of each year, the secretary of revenue shall~~
38 ~~advise each county treasurer of the revenue collected in such county from~~
39 ~~the state retailers’ sales tax for the preceding calendar year.~~

40 ~~(g) (f) Prior to December 31 of each year, the clerk of every county~~
41 ~~imposing a countywide retailers’ sales tax shall provide such information~~
42 ~~deemed necessary by the secretary of revenue to apportion and remit~~
43 ~~revenue to the counties and cities pursuant to this section.~~

1 ~~(h)~~ (g) The provisions of subsections (a) and (b) for the apportion-
2 ment of countywide retailers' sales tax shall not apply to any revenues
3 received pursuant to a county or countywide retailers' sales tax levied or
4 collected under K.S.A. 74-8929, and amendments thereto. All such rev-
5 enue collected under K.S.A. 74-8929, and amendments thereto, shall be
6 deposited into the redevelopment bond fund established by K.S.A. 74-
7 8927, and amendments thereto, for the period of time set forth in K.S.A.
8 74-8927, and amendments thereto.

9 Sec. 4. K.S.A. 12-195b is hereby amended to read as follows: 12-
10 195b. The governing body of any city or county by the appropriate or-
11 dinance or resolution, may authorize the issuance of general obligation
12 bonds to provide for the payment of all or any portion of the cost of any
13 public facilities or improvements for which such city or county is other-
14 wise authorized pursuant to the constitution or laws of this state to issue
15 general obligation bonds. The governing body may pledge revenues re-
16 ceived from countywide or city retailers' sales taxes imposed pursuant to
17 K.S.A. 12-187 *et seq.*, and amendments thereto, for the payment of such
18 bonds. The pledge of revenues received from countywide or city retailers'
19 sales taxes for payment of such bonds shall constitute an irrevocable
20 pledge of the revenues and shall be made a lien on the revenues for the
21 benefit of bondholders. Any bonds issued under this section shall be sub-
22 ject to the following requirements:

23 (a) Before the governing body of any city or county shall issue any
24 general obligation bonds as authorized herein, the governing body shall
25 cause to be prepared a comprehensive feasibility study showing that rev-
26 enues received from a countywide or city retailers' sales tax would be
27 sufficient to retire such bonds.

28 (b) Such bonds shall constitute a general obligation of the city or
29 county payable from the pledged revenue received from countywide or
30 city retailers' sales taxes and if not so paid such bonds shall be payable
31 from ad valorem taxes which for the purpose of paying such bonds may
32 be levied without limit as to rate or amount by the city or county, and
33 shall be printed as provided in K.S.A. 10-112, and amendments thereto.

34 (c) Any bonds issued under the provisions of this section and the
35 interest thereon, shall be exempt from all taxes levied by the state of
36 Kansas or any political or taxing subdivision thereof, except inheritance
37 taxes.

38 (d) All bonds which are to be financed in accordance with the pro-
39 visions of this section shall be subject to any statutory limitation of bonded
40 indebtedness imposed on a city or county unless:

41 (1) The law authorizing the issuance of such bonds specifically ex-
42 cludes such bonds from any statutory limitation of bonded indebtedness;
43 *or*

1 (2) the bonds are excluded from the computation of bonded indebt-
2 edness pursuant to K.S.A. 10-307 or 10-309, and amendments thereto;
3 ~~or~~
4 ~~—(3) the bonds are issued by a class C city or Douglas county.~~
5 (e) In the event the governing body of a city or county proposes to
6 issue such bonds, and the question of issuing bonds as authorized herein
7 has not previously been submitted to and approved by the voters of the
8 city or county such proposition shall be published once each week for two
9 consecutive weeks in its official newspaper. If within 30 days after the
10 last publication of the proposition, a petition is filed with the county elec-
11 tion officer signed by not less than 5% of the electors of the city or county
12 who voted in the last preceding general election of the city or county,
13 then no such bonds shall be issued unless the proposition is submitted to
14 and approved by a majority of the voters of the city or county voting at
15 an election held thereon. Any such elections shall be called and held in
16 accordance with the provisions of K.S.A. 10-120, and amendments
17 thereto, or in accordance with the provisions of the mail ballot election
18 act.
19 Sec. 5. K.S.A. 12-195b and K.S.A. 2004 Supp. 12-187, 12-188, 12-
20 189, 12-192 and 12-194 are hereby repealed.
21 Sec. 6. This act shall take effect and be in force from and after its
22 publication in the statute book.