

HOUSE BILL No. 2535

By Committee on Taxation

4-1

9 AN ACT concerning taxation; relating to county taxing authority; provid-
10 ing revenue for distribution to school districts; school finance; amend-
11 ing K.S.A. 2004 Supp. 12-187, 12-189, 12-192 and 19-101a and re-
12 pealing the existing sections.
13

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

15 New Section 1. (a) The board of county commissioners of any county
16 may impose an income tax surtax upon every individual residing in the
17 county on December 31 of any year and pledge the revenue received
18 therefrom for the purpose of distribution to school districts within the
19 county. The distribution of revenue to the school districts within the
20 county shall be as provided pursuant to the resolution adopted by the
21 board of county commissioners regarding such imposition of an income
22 tax surtax as provided in this section. Any county proposing to impose an
23 income tax surtax shall adopt a resolution giving notice of its intention to
24 submit such proposition for approval by the electors in the manner re-
25 quired by K.S.A. 25-105, and amendments thereto. The notice shall state
26 the date of the election, the rate of the income tax surtax, the length of
27 time the income tax surtax is to be in effect, the method of distribution
28 of revenue to the school districts and the purposes for which the proceeds
29 shall be expended.

30 (b) No county shall impose an income tax surtax without first having
31 submitted such proposition to and having received the approval of the
32 school boards of any school district located in any such county repre-
33 senting at least 90% of the county's population.

34 (c) After the requirements provided in subsection (b) have been met,
35 the proposition may be submitted to the electors of the county. No county
36 shall impose an income tax surtax under the provisions of this section
37 without the board of county commissioners first having submitted such
38 proposition and having received the approval of a majority of the electors
39 of the county voting thereon at the election that such proposition was
40 submitted for approval. If a majority of the electors voting thereon at
41 such election fails to approve the proposition, such proposition may be
42 resubmitted under the conditions and in the manner provided in this
43 section for submission of the original proposition.

1 (d) The rate of such income tax surtax shall be equal to 5% of the
2 Kansas adjusted gross income of an individual as provided in K.S.A. 79-
3 32,117, and amendments thereto. Any income tax surtax imposed pur-
4 suant to the provisions of this section shall expire not later than seven
5 years from the date of imposition thereof as provided in the resolution
6 adopted by the board of county commissioners.

7 (e) Any resolution imposing the surtax authorized by this section shall
8 provide that any taxpayer's Kansas income tax liability shall be allocated
9 and apportioned in the same manner and under the same limitations and
10 conditions as provided in the uniform division of income for tax purposes
11 act, insofar as the same can be made applicable, and under rules and
12 regulations adopted for such purpose by the secretary of revenue.

13 (f) The board of county commissioners which has imposed an income
14 tax surtax under the provisions of this act may repeal any such income tax
15 surtax in the manner prescribed for imposing such income tax surtax
16 under the provisions of this section, except that the board of county com-
17 missioners shall be required to submit such question of repeal of any
18 income tax surtax upon submission of a petition signed by electors of such
19 county equal in number to not less than 5% of the electors of such county
20 who voted at the last general election prior to submittance of the prop-
21 osition. Any such repeal of such income tax surtax shall become effective
22 on January 1 of the year next following the year in which such repeal is
23 adopted.

24 (g) Any county imposing an income tax surtax shall utilize the services
25 of the department of revenue to administer, enforce and collect such tax.
26 Any resolution authorizing the imposition of an income tax surtax shall
27 incorporate by reference the provisions of article 32 of chapter 79 of the
28 Kansas Statutes Annotated, and amendments thereto, providing the pro-
29 cedure for the collection and administration of income taxes, insofar as
30 the provisions of such law may be applicable to an income tax surtax. The
31 department of revenue is hereby authorized to adopt such rules and reg-
32 ulations as may be necessary to provide for the withholding by employers
33 of any income tax surtax and may require any employer in the state of
34 Kansas to furnish any information necessary for the administration, en-
35 forcement and collection of such tax.

36 (h) Any income tax surtax imposed under the provisions of this sec-
37 tion shall not become effective until January 1 next following the date of
38 its adoption.

39 (i) Upon receipt of a certified copy of a county's resolution author-
40 izing the imposition of an income tax surtax, the secretary of revenue shall
41 cause all necessary forms to be prepared and such taxes to be collected
42 at the same time and in the manner provided for the collection of the
43 state income tax. The secretary of revenue is hereby authorized to ad-

1 minister and collect the income tax surtax of any such county and to adopt
2 such rules and regulations as may be necessary for the efficient and ef-
3 fective administration and enforcement thereof. The secretary shall credit
4 all moneys received therefrom to a county income tax surtax fund, which
5 is hereby established in the state treasury. The secretary of revenue shall
6 transfer from such fund to the county income tax surtax refund fund,
7 which fund is hereby created, an amount deemed sufficient by the direc-
8 tor to pay any refunds due from any tax levied under the provisions of
9 this act. All revenue collected from any county income tax surtax shall be
10 remitted at least quarterly by the state treasurer, on instruction from the
11 secretary of revenue, to the treasurer of such county.

12 (j) All revenue received by a county from the proceeds of an income
13 tax surtax imposed shall be deposited in the county general fund and
14 distributed as provided by section 7, and amendments thereto.

15 New Sec. 2. (a) The board of county commissioners of any county is
16 authorized to levy taxes on all taxable tangible property within the county
17 and pledge the revenue received therefrom for the purpose of distribu-
18 tion to school districts within the county. The distribution of revenue to
19 school districts within the county shall be as provided pursuant to the
20 resolution adopted by the board of county commissioners regarding such
21 levy of taxes as provided in this section. Any county proposing to levy
22 such tax shall adopt a resolution giving notice of its intention to submit
23 such proposition for approval by the electors in the manner required by
24 K.S.A. 25-105, and amendments thereto. The notice shall state the date
25 of the election, the rate of the tax, the length of time the tax is to be in
26 effect, the method of distribution of revenue to the school districts and
27 the purposes for which the proceeds shall be expended.

28 (b) No county shall levy a tax as provided in subsection (a) without
29 first having submitted such proposition to and having received the ap-
30 proval of the school boards of any school district located in any such
31 county representing at least 90% of the county's population.

32 (c) After the requirements provided in subsection (b) have been met,
33 the proposition may be submitted to the electors of the county. No county
34 shall levy a tax under the provisions of this section without the board of
35 county commissioners first having submitted such proposition and having
36 received the approval of a majority of the electors of the county voting
37 thereon at the election that such proposition was submitted for approval.
38 If a majority of the electors voting thereon at such election fails to approve
39 the proposition, such proposition may be resubmitted under the condi-
40 tions and in the manner provided in this section for submission of the
41 original proposition.

42 (d) Any tax levied pursuant to the provisions of this section shall ex-
43 pire not later than seven years from the date such tax was first levied as

1 provided in the resolution adopted by the board of county commissioners.

2 (e) The board of county commissioners which has levied a tax under
3 the provisions of this act may repeal any such tax in the manner prescribed
4 for imposing such tax under the provisions of this section, except that the
5 board of county commissioners shall be required to submit such question
6 of repeal of any such tax upon submission of a petition signed by electors
7 of such county equal in number to not less than 5% of the electors of
8 such county who voted at the last general election prior to submittance
9 of the proposition. Any such repeal of such tax shall become effective on
10 January 1 of the year next following the year in which such repeal is
11 adopted.

12 (f) Any tax levied under the provisions of this section shall not become
13 effective until January 1 next following the date of its adoption.

14 (g) All revenue received by a county from the proceeds of such tax
15 shall be deposited in the county general fund and distributed as provided
16 by section 8, and amendments thereto.

17 Sec. 3. K.S.A. 2004 Supp. 12-187 is hereby amended to read as fol-
18 lows: 12-187. (a) (1) No city shall impose a retailers' sales tax under the
19 provisions of this act without the governing body of such city having first
20 submitted such proposition to and having received the approval of a ma-
21 jority of the electors of the city voting thereon at an election called and
22 held therefor. The governing body of any city may submit the question
23 of imposing a retailers' sales tax and the governing body shall be required
24 to submit the question upon submission of a petition signed by electors
25 of such city equal in number to not less than 10% of the electors of such
26 city.

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

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

15 (2) The board of county commissioners of Anderson, Atchison, Bar-
16 ton, Butler, Chase, Cowley, Cherokee, Crawford, Ford, Jefferson, Lyon,
17 Montgomery, Neosho, Osage, Ottawa, Riley, Saline, Seward, Sumner,
18 Wabaunsee, Wilson and Wyandotte counties may submit the question of
19 imposing a countywide retailers' sales tax and pledging the revenue re-
20 ceived therefrom for the purpose of financing the construction or re-
21 modeling of a courthouse, jail, law enforcement center facility or other
22 county administrative facility, to the electors at an election called and
23 held thereon. The tax imposed pursuant to this paragraph shall expire
24 when sales tax sufficient to pay all of the costs incurred in the financing
25 of such facility has been collected by retailers as determined by the sec-
26 retary of revenue. Nothing in this paragraph shall be construed to allow
27 the rate of tax imposed by Butler, Chase, Cowley, Lyon, Montgomery,
28 Neosho, Riley, Sumner or Wilson county pursuant to this paragraph to
29 exceed or be imposed at any rate other than the rates prescribed in K.S.A.
30 12-189, and amendments thereto.

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

40 (B) The result of the election held on November 8, 1994, on the
41 question submitted by the board of county commissioners of Ottawa
42 county for the purpose of increasing its countywide retailers' sales tax by
43 1% is hereby declared valid, and the revenue received therefrom by the

1 county shall be expended solely for the purpose of financing the erection,
2 construction and furnishing of a law enforcement center and jail facility.

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

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

1 health care worker recruitment, health education, emergency medical
2 services, rural health clinics, integration of health care services, home
3 health services and rural health networks.

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

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

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

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

1 (10) The board of county commissioners of Franklin county may sub-
2 mit the question of imposing a countywide retailers' sales tax at the rate
3 of .25% and pledging the revenue received therefrom for the purpose of
4 financing recreational facilities. The tax imposed pursuant to this para-
5 graph shall expire upon payment of all costs authorized in financing such
6 facilities.

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

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

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

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

1 levy not less than 25% of the property taxes levied by all taxing subdivi-
2 sions within each of such counties.

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

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

26 (f) (1) *The board of county commissioners of any county may impose*
27 *a countywide retailers' sales tax at the rate of .1%, .125% or .25% and*
28 *pledge the revenue received therefrom for the purpose of distribution to*
29 *school districts within the county. The distribution of revenue to the school*
30 *districts within the county shall be as provided pursuant to the resolution*
31 *adopted by the board of county commissioners regarding imposition of*
32 *such countywide retailers' sales tax as provided in this subsection. Any*
33 *county proposing to impose such retailers' sales tax shall adopt a resolu-*
34 *tion giving notice of its intention to submit such proposition for approval*
35 *by the electors.*

36 (2) *No county shall impose a countywide retailers' sales tax without*
37 *first having submitted such proposition to and having received the ap-*
38 *proval of the school boards of any school district located in any such*
39 *county representing at least 90% of the county's population.*

40 (3) *Any tax imposed pursuant to this subsection shall expire not more*
41 *than seven years from the date of imposition thereof as provided in the*
42 *resolution adopted by the board of county commissioners.*

43 (g) Any city or county proposing to adopt a retailers' sales tax shall

1 give notice of its intention to submit such proposition for approval by the
2 electors in the manner required by K.S.A. 10-120, and amendments
3 thereto. The notices shall state the time of the election and the rate and
4 effective date of the proposed tax. If a majority of the electors voting
5 thereon at such election fail to approve the proposition, such proposition
6 may be resubmitted under the conditions and in the manner provided in
7 this act for submission of the proposition. If a majority of the electors
8 voting thereon at such election shall approve the levying of such tax, the
9 governing body of any such city or county shall provide by ordinance or
10 resolution, as the case may be, for the levy of the tax. Any repeal of such
11 tax or any reduction or increase in the rate thereof, within the limits
12 prescribed by K.S.A. 12-189, and amendments thereto, shall be accom-
13 plished in the manner provided herein for the adoption and approval of
14 such tax except that the repeal of any such city retailers' sales tax may be
15 accomplished by the adoption of an ordinance so providing.

16 ~~(g)~~ (h) The sufficiency of the number of signers of any petition filed
17 under this section shall be determined by the county election officer.
18 Every election held under this act shall be conducted by the county elec-
19 tion officer.

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

24 Sec. 4. K.S.A. 2004 Supp. 12-189 is hereby amended to read as fol-
25 lows: 12-189. Except as otherwise provided by paragraph (2) of subsection
26 (a) of K.S.A. 12-187, and amendments thereto, the rate of any class A,
27 class B or class C city retailers' sales tax shall be fixed in the amount of
28 .25%, .5%, .75% or 1% which amount shall be determined by the gov-
29 erning body of the city. Except as otherwise provided by paragraph (2)
30 of subsection (a) of K.S.A. 12-187, and amendments thereto, the rate of
31 any class D city retailers' sales tax shall be fixed in the amount of .10%,
32 .25%, .5%, .75%, 1%, 1.125%, 1.25%, 1.5% or 1.75%. The rate of any
33 countywide retailers' sales tax shall be fixed in an amount of either .25%,
34 .5%, .75% or 1% which amount shall be determined by the board of
35 county commissioners, except that:

36 (a) The board of county commissioners of Wabaunsee county, for the
37 purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and amend-
38 ments thereto, may fix such rate at 1.25%; the board of county commis-
39 sioners of Osage county, for the purposes of paragraph (2) of subsection
40 (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at 1.25%
41 or 1.5%; the board of county commissioners of Cherokee, Crawford,
42 Ford, Saline, Seward or Wyandotte county, for the purposes of paragraph
43 (2) of subsection (b) of K.S.A. 12-187, and amendments thereto, may fix

- 1 such rate at 1.5%, the board of county commissioners of Atchison county,
2 for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and
3 amendments thereto, may fix such rate at 1.5% or 1.75% and the board
4 of county commissioners of Anderson, Barton, Jefferson or Ottawa
5 county, for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-
6 187, and amendments thereto, may fix such rate at 2%;
- 7 (b) the board of county commissioners of Jackson county, for the
8 purposes of paragraph (3) of subsection (b) of K.S.A. 12-187, and amend-
9 ments thereto, may fix such rate at 2%;
- 10 (c) the boards of county commissioners of Finney and Ford counties,
11 for the purposes of paragraph (4) of subsection (b) of K.S.A. 12-187, and
12 amendments thereto, may fix such rate at .25%;
- 13 (d) the board of county commissioners of any county for the purposes
14 of paragraph (5) of subsection (b) of K.S.A. 12-187, and amendments
15 thereto, may fix such rate at a percentage which is equal to the sum of
16 the rate allowed to be imposed by a board of county commissioners on
17 the effective date of this act plus .25%, .5%, .75% or 1%, as the case
18 requires;
- 19 (e) the board of county commissioners of Dickinson county, for the
20 purposes of paragraph (7) of subsection (b) of K.S.A. 12-187, and amend-
21 ments thereto, may fix such rate at 1.5%, and the board of county com-
22 missioners of Miami county, for the purposes of paragraph (7) of subsec-
23 tion (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at
24 1.25%, 1.5%, 1.75% or 2%;
- 25 (f) the board of county commissioners of Sherman county, for the
26 purposes of paragraph (8) of subsection (b) of K.S.A. 12-187, and amend-
27 ments thereto, may fix such rate at 1.5%, 1.75% or 2%;
- 28 (g) the board of county commissioners of Russell county for the pur-
29 poses of paragraph (9) of subsection (b) of K.S.A. 12-187, and amend-
30 ments thereto, may fix such rate at 1.5%;
- 31 (h) the board of county commissioners of Franklin county, for the
32 purposes of paragraph (10) of subsection (b) of K.S.A. 12-187, and
33 amendments thereto, may fix such rate at 1.75%;
- 34 (i) the board of county commissioners of Douglas county, for the
35 purposes of paragraph (11) of subsection (b) of K.S.A. 12-187, and
36 amendments thereto, may fix such rate at 1.25%; ~~or~~
- 37 (j) the board of county commissioners of Jackson county, for the pur-
38 poses of subsection (b)(13) of K.S.A. 12-187 and amendments thereto,
39 may fix such rate at 1.4%; *or*
- 40 (k) *The board of county commissioners of any county, for the pur-*
41 *poses of subsection (f) of K.S.A. 12-187, and amendments thereto, may fix*
42 *such rate at .1%, .125% or .25% above the rate at which such county is*
43 *authorized pursuant to this section or as otherwise provided by law.*

1 Any county or city levying a retailers' sales tax is hereby prohibited
2 from administering or collecting such tax locally, but shall utilize the serv-
3 ices of the state department of revenue to administer, enforce and collect
4 such tax. Except as otherwise specifically provided in K.S.A. 12-189a, and
5 amendments thereto, such tax shall be identical in its application, and
6 exemptions therefrom, to the Kansas retailers' sales tax act and all laws
7 and administrative rules and regulations of the state department of rev-
8 enue relating to the Kansas retailers' sales tax shall apply to such local
9 sales tax insofar as such laws and rules and regulations may be made
10 applicable. The state director of taxation is hereby authorized to admin-
11 ister, enforce and collect such local sales taxes and to adopt such rules
12 and regulations as may be necessary for the efficient and effective ad-
13 ministration and enforcement thereof.

14 Upon receipt of a certified copy of an ordinance or resolution author-
15 izing the levy of a local retailers' sales tax, the director of taxation shall
16 cause such taxes to be collected within or without the boundaries of such
17 taxing subdivision at the same time and in the same manner provided for
18 the collection of the state retailers' sales tax. Such copy shall be submitted
19 to the director of taxation within 30 days after adoption of any such or-
20 dinance or resolution. All moneys collected by the director of taxation
21 under the provisions of this section shall be credited to a county and city
22 retailers' sales tax fund which fund is hereby established in the state treas-
23 ury. Any refund due on any county or city retailers' sales tax collected
24 pursuant to this act shall be paid out of the sales tax refund fund and
25 reimbursed by the director of taxation from collections of local retailers'
26 sales tax revenue. Except for local retailers' sales tax revenue required to
27 be deposited in the redevelopment bond fund established under K.S.A.
28 74-8927, and amendments thereto, all local retailers' sales tax revenue
29 collected within any county or city pursuant to this act shall be appor-
30 tioned and remitted at least quarterly by the state treasurer, on instruction
31 from the director of taxation, to the treasurer of such county or city.

32 Revenue that is received from the imposition of a local retailers' sales
33 tax which exceeds the amount of revenue required to pay the costs of a
34 special project for which such revenue was pledged shall be credited to
35 the city or county general fund, as the case requires.

36 The director of taxation shall provide, upon request by a city or county
37 clerk or treasurer of any city or county levying a local retailers' sales tax,
38 monthly reports identifying each retailer having a place of business in
39 such city or county setting forth the tax liability and the amount of such
40 tax remitted by each retailer during the preceding month and identifying
41 each business location maintained by the retailer within such city or
42 county. Such report shall be made available to the clerk or treasurer of
43 such city or county within a reasonable time after it has been requested

1 from the director of taxation. The director of taxation shall be allowed to
2 assess a reasonable fee for the issuance of such report. Information re-
3 ceived by any city or county pursuant to this section shall be confidential,
4 and it shall be unlawful for any officer or employee of such city or county
5 to divulge any such information in any manner. Any violation of this par-
6 agraph by a city or county officer or employee is a class B misdemeanor,
7 and such officer or employee shall be dismissed from office.

8 Sec. 5. K.S.A. 2004 Supp. 12-192 is hereby amended to read as fol-
9 lows: 12-192. (a) Except as otherwise provided by subsection (b), (d) or
10 (h), all revenue received by the director of taxation from a countywide
11 retailers' sales tax shall be apportioned among the county and each city
12 located in such county in the following manner: (1) One-half of all reve-
13 nue received by the director of taxation shall be apportioned among the
14 county and each city located in such county in the proportion that the
15 total tangible property tax levies made in such county in the preceding
16 year for all funds of each such governmental unit bear to the total of all
17 such levies made in the preceding year, and (2) $\frac{1}{2}$ of all revenue received
18 by the director of taxation from such countywide retailers' sales tax shall
19 be apportioned among the county and each city located in such county,
20 first to the county that portion of the revenue equal to the proportion
21 that the population of the county residing in the unincorporated area of
22 the county bears to the total population of the county, and second to the
23 cities in the proportion that the population of each city bears to the total
24 population of the county, except that no persons residing within the Fort
25 Riley military reservation shall be included in the determination of the
26 population of any city located within Riley county. All revenue appor-
27 tioned to a county shall be paid to its county treasurer and shall be cred-
28 ited to the general fund of the county.

29 (b) (1) As an alternative and in lieu of the apportionment formula
30 provided in subsection (a), all revenue received by the director of taxation
31 from a countywide retailers' sales tax imposed within Johnson county at
32 the rate of .75% or 1% after the effective date of this act may be appor-
33 tioned among the county and each city located in such county in the
34 following manner: (A) The revenue received from the first .5% rate of
35 tax shall be apportioned in the manner prescribed by subsection (a) and
36 (B) the revenue received from the rate of tax exceeding .5% shall be
37 apportioned as follows: (i) One-fourth shall be apportioned among the
38 county and each city located in such county in the proportion that the
39 total tangible property tax levies made in such county in the preceding
40 year for all funds of each such governmental unit bear to the total of all
41 such levies made in the preceding year and (ii) one-fourth shall be ap-
42 portioned among the county and each city located in such county, first to
43 the county that portion of the revenue equal to the proportion that the

1 population of the county residing in the unincorporated area of the county
2 bears to the total population of the county, and second to the cities in the
3 proportion that the population of each city bears to the total population
4 of the county and (iii) one-half shall be retained by the county for its sole
5 use and benefit.

6 (2) In lieu of the apportionment formula provided in subsection (a),
7 all money received by the director of taxation from a countywide sales tax
8 imposed within Montgomery county pursuant to the election held on
9 November 8, 1994, shall be remitted to and shall be retained by the
10 county and expended only for the purpose for which the revenue received
11 from the tax was pledged. All revenue apportioned and paid from the
12 imposition of such tax to the treasurer of any city prior to the effective
13 date of this act shall be remitted to the county treasurer and expended
14 only for the purpose for which the revenue received from the tax was
15 pledged.

16 (c) (1) Except as otherwise provided by paragraph (2) of this subsec-
17 tion, for purposes of subsections (a) and (b), the term "total tangible
18 property tax levies" means the aggregate dollar amount of tax revenue
19 derived from ad valorem tax levies applicable to all tangible property
20 located within each such city or county. The ad valorem property tax levy
21 of any county or city district entity or subdivision shall be included within
22 this term if the levy of any such district entity or subdivision is applicable
23 to all tangible property located within each such city or county.

24 (2) For the purposes of subsections (a) and (b), any ad valorem prop-
25 erty tax levied on property located in a city in Johnson county for the
26 purpose of providing fire protection service in such city shall be included
27 within the term "total tangible property tax levies" for such city regardless
28 of its applicability to all tangible property located within each such city.
29 If the tax is levied by a district which extends across city boundaries, for
30 purposes of this computation, the amount of such levy shall be appor-
31 tioned among each city in which such district extends in the proportion
32 that such tax levied within each city bears to the total tax levied by the
33 district.

34 (d) (1) All revenue received from a countywide retailers' sales tax
35 imposed pursuant to paragraphs (2), (6), (7), (8), (9) or (12) of subsection
36 (b) of K.S.A. 12-187, and amendments thereto, shall be remitted to and
37 shall be retained by the county and expended only for the purpose for
38 which the revenue received from the tax was pledged.

39 (2) Except as otherwise provided in paragraph (5) of subsection (b)
40 of K.S.A. 12-187, and amendments thereto, all revenues received from a
41 countywide retailers' sales tax imposed pursuant to paragraph (5) of sub-
42 section (b) of K.S.A. 12-187, and amendments thereto, shall be remitted
43 to and shall be retained by the county and expended only for the purpose

1 for which the revenue received from the tax was pledged.

2 (3) *All revenue received from a countywide retailers' sales tax im-*
3 *posed pursuant to subsection (f) of K.S.A. 12-187, and amendments*
4 *thereto, shall be remitted to the county and distributed as provided by*
5 *section 9, and amendments thereto.*

6 (e) All revenue apportioned to the several cities of the county shall
7 be paid to the respective treasurers thereof and deposited in the general
8 fund of the city. Whenever the territory of any city is located in two or
9 more counties and any one or more of such counties do not levy a coun-
10 tywide retailers' sales tax, or whenever such counties do not levy coun-
11 tywide retailers' sales taxes at a uniform rate, the revenue received by
12 such city from the proceeds of the countywide retailers' sales tax, as an
13 alternative to depositing the same in the general fund, may be used for
14 the purpose of reducing the tax levies of such city upon the taxable tan-
15 gible property located within the county levying such countywide retail-
16 ers' sales tax.

17 (f) Prior to March 1 of each year, the secretary of revenue shall advise
18 each county treasurer of the revenue collected in such county from the
19 state retailers' sales tax for the preceding calendar year.

20 (g) Prior to December 31 of each year, the clerk of every county
21 imposing a countywide retailers' sales tax shall provide such information
22 deemed necessary by the secretary of revenue to apportion and remit
23 revenue to the counties and cities pursuant to this section.

24 (h) The provisions of subsections (a) and (b) for the apportionment
25 of countywide retailers' sales tax shall not apply to any revenues received
26 pursuant to a county or countywide retailers' sales tax levied or collected
27 under K.S.A. 74-8929, and amendments thereto. All such revenue col-
28 lected under K.S.A. 74-8929, and amendments thereto, shall be deposited
29 into the redevelopment bond fund established by K.S.A. 74-8927, and
30 amendments thereto, for the period of time set forth in K.S.A. 74-8927,
31 and amendments thereto.

32 Sec. 6. K.S.A. 2004 Supp. 19-101a is hereby amended to read as
33 follows: 19-101a. (a) The board of county commissioners may transact all
34 county business and perform all powers of local legislation and adminis-
35 tration it deems appropriate, subject only to the following limitations,
36 restrictions or prohibitions:

37 (1) Counties shall be subject to all acts of the legislature which apply
38 uniformly to all counties.

39 (2) Counties may not consolidate or alter county boundaries.

40 (3) Counties may not affect the courts located therein.

41 (4) Counties shall be subject to acts of the legislature prescribing
42 limits of indebtedness.

43 (5) In the exercise of powers of local legislation and administration

1 authorized under provisions of this section, the home rule power con-
2 ferred on cities to determine their local affairs and government shall not
3 be superseded or impaired without the consent of the governing body of
4 each city within a county which may be affected.

5 (6) Counties may not legislate on social welfare administered under
6 state law enacted pursuant to or in conformity with public law No. 271—
7 74th congress, or amendments thereof.

8 (7) Counties shall be subject to all acts of the legislature concerning
9 elections, election commissioners and officers and their duties as such
10 officers and the election of county officers.

11 (8) Counties shall be subject to the limitations and prohibitions im-
12 posed under K.S.A. 12-187 to 12-195, inclusive, and amendments thereto,
13 prescribing limitations upon the levy of retailers' sales taxes by counties.

14 (9) Counties may not exempt from or effect changes in statutes made
15 nonuniform in application solely by reason of authorizing exceptions for
16 counties having adopted a charter for county government.

17 (10) No county may levy ad valorem taxes under the authority of this
18 section upon real property located within any redevelopment project area
19 established under the authority of K.S.A. 12-1772, and amendments
20 thereto, unless the resolution authorizing the same specifically authorized
21 a portion of the proceeds of such levy to be used to pay the principal of
22 and interest upon bonds issued by a city under the authority of K.S.A.
23 12-1774, and amendments thereto.

24 (11) Counties shall have no power under this section to exempt from
25 any statute authorizing or requiring the levy of taxes and providing sub-
26 stitute and additional provisions on the same subject, unless the resolution
27 authorizing the same specifically provides for a portion of the proceeds
28 of such levy to be used to pay a portion of the principal and interest on
29 bonds issued by cities under the authority of K.S.A. 12-1774, and amend-
30 ments thereto.

31 (12) Counties may not exempt from or effect changes in the provi-
32 sions of K.S.A. 19-4601 through 19-4625, and amendments thereto.

33 (13) Except as otherwise specifically authorized by K.S.A. 12-1,101
34 through 12-1,109, and amendments thereto, *and section 1, and amend-*
35 *ments thereto*, counties may not levy and collect taxes on incomes from
36 whatever source derived.

37 (14) Counties may not exempt from or effect changes in K.S.A. 19-
38 430, and amendments thereto.

39 (15) Counties may not exempt from or effect changes in K.S.A. 19-
40 302, 19-502b, 19-503, 19-805 or 19-1202, and amendments thereto.

41 (16) (A) Counties may not exempt from or effect changes in K.S.A.
42 13-13a26, and amendments thereto.

43 (B) This provision shall expire on June 30, ~~2005~~ 2006.

- 1 (17) (A) Counties may not exempt from or effect changes in K.S.A.
2 71-301a, and amendments thereto.
- 3 (B) This provision shall expire on June 30, ~~2005~~ 2006.
- 4 (18) Counties may not exempt from or effect changes in K.S.A. 19-
5 15,139, 19-15,140 and 19-15,141, and amendments thereto.
- 6 (19) Counties may not exempt from or effect changes in the provi-
7 sions of K.S.A. 12-1223, 12-1225, 12-1225a, 12-1225b, 12-1225c and 12-
8 1226, and amendments thereto, or the provisions of K.S.A. 12-1260
9 through 12-1270 and 12-1276, and amendments thereto.
- 10 (20) Counties may not exempt from or effect changes in the provi-
11 sions of K.S.A. 19-211, and amendments thereto.
- 12 (21) Counties may not exempt from or effect changes in the provi-
13 sions of K.S.A. 19-4001 through 19-4015, and amendments thereto.
- 14 (22) Counties may not regulate the production or drilling of any oil
15 or gas well in any manner which would result in the duplication of reg-
16 ulation by the state corporation commission and the Kansas department
17 of health and environment pursuant to chapter 55 and chapter 65 of the
18 Kansas Statutes Annotated and any rules and regulations adopted pur-
19 suant thereto. Counties may not require any license or permit for the
20 drilling or production of oil and gas wells. Counties may not impose any
21 fee or charge for the drilling or production of any oil or gas well.
- 22 (23) Counties may not exempt from or effect changes in K.S.A. 79-
23 41a04, and amendments thereto.
- 24 (24) Counties may not exempt from or effect changes in K.S.A. 79-
25 1611, and amendments thereto.
- 26 (25) Counties may not exempt from or effect changes in K.S.A. 79-
27 1494, and amendments thereto.
- 28 (26) Counties may not exempt from or effect changes in subsection
29 (b) of K.S.A. 19-202, and amendments thereto.
- 30 (27) Counties may not exempt from or effect changes in subsection
31 (b) of K.S.A. 19-204, and amendments thereto.
- 32 (28) Counties may not levy or impose an excise, severance or any
33 other tax in the nature of an excise tax upon the physical severance and
34 production of any mineral or other material from the earth or water.
- 35 (29) Counties may not exempt from or effect changes in K.S.A. 79-
36 2017 or 79-2101, and amendments thereto.
- 37 (30) Counties may not exempt from or effect changes in K.S.A. 2-
38 3302, 2-3305, 2-3307, 2-3318, 17-5904, 17-5908, 47-1219, 65-171d, 65-
39 1,178 through 65-1,199 ~~or K.S.A. 1998 Supp. 17-5909~~, and amendments
40 thereto.
- 41 (31) Counties may not exempt from or effect changes in K.S.A. 2004
42 Supp. 80-121, and amendments thereto.
- 43 (32) Counties may not exempt from or effect changes in K.S.A. 19-

1 228, and amendments thereto.

2 (33) Counties may not exempt from or effect changes in the wireless
3 enhanced 911 act or in the provisions of K.S.A. 12-5301 through 12-5308,
4 and amendments thereto.

5 (34) Counties may not exempt from or effect changes in K.S.A. 2004
6 Supp. 26-601, and amendments thereto.

7 (b) Counties shall apply the powers of local legislation granted in
8 subsection (a) by resolution of the board of county commissioners. If no
9 statutory authority exists for such local legislation other than that set forth
10 in subsection (a) and the local legislation proposed under the authority
11 of such subsection is not contrary to any act of the legislature, such local
12 legislation shall become effective upon passage of a resolution of the
13 board and publication in the official county newspaper. If the legislation
14 proposed by the board under authority of subsection (a) is contrary to an
15 act of the legislature which is applicable to the particular county but not
16 uniformly applicable to all counties, such legislation shall become effec-
17 tive by passage of a charter resolution in the manner provided in K.S.A.
18 19-101b, and amendments thereto.

19 (c) Any resolution adopted by a county which conflicts with the res-
20 trictions in subsection (a) is null and void.

21 New Sec. 7. (a) Within 10 days of receipt of moneys remitted to the
22 county pursuant to section 1, and amendments thereto, the county trea-
23 surer shall distribute such moneys on a per pupil basis among the school
24 districts located within the county. Such moneys shall be credited to the
25 income tax surtax fund of the school district, which is hereby established
26 in every school district. Moneys in such fund may be expended for any
27 purpose for which expenditures from the general fund are authorized.

28 (b) Any balance remaining in the income tax surtax fund at the end
29 of the budget year shall be carried forward into such fund for succeeding
30 budget years. Such fund shall not be subject to the provisions of K.S.A.
31 79-2925 through 79-2937, and amendments thereto. In preparing the
32 budget of such school district, the amounts credited to and the amount
33 on hand in the income tax surtax fund, and the amount expended there-
34 from shall be included in the annual budget for the information of the
35 residents of the school district. Interest earned on the investment of mon-
36 eys in such fund shall be credited to such fund.

37 New Sec. 8. (a) Within 10 days of receipt of moneys remitted to the
38 county pursuant to section 2, and amendments thereto, the county trea-
39 surer shall distribute such moneys on a per pupil basis among the school
40 districts located within the county. Such moneys shall be credited to the
41 property tax enhancement fund of the school district, which is hereby
42 established in every school district. Moneys in such fund may be ex-
43 pended for any purpose for which expenditures from the general fund

1 are authorized.

2 (b) Any balance remaining in the property tax enhancement fund at
3 the end of the budget year shall be carried forward into such fund for
4 succeeding budget years. Such fund shall not be subject to the provisions
5 of K.S.A. 79-2925 through 79-2937, and amendments thereto. In pre-
6 paring the budget of such school district, the amounts credited to and
7 the amount on hand in the property tax enhancement fund, and the
8 amount expended therefrom shall be included in the annual budget for
9 the information of the residents of the school district. Interest earned on
10 the investment of moneys in such fund shall be credited to such fund.

11 New Sec. 9. (a) Within 10 days of receipt of moneys remitted to the
12 county pursuant to subsection (f) of K.S.A. 12-187, and amendments
13 thereto, the county treasurer shall distribute such moneys on a per pupil
14 basis among the school districts located within the county. Such moneys
15 shall be credited to the sales tax enhancement fund of the school district,
16 which is hereby established in every school district. Moneys in such fund
17 may be expended for any purpose for which expenditures from the gen-
18 eral fund are authorized.

19 (b) Any balance remaining in the sales tax enhancement fund at the
20 end of the budget year shall be carried forward into such fund for suc-
21 ceeding budget years. Such fund shall not be subject to the provisions of
22 K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing
23 the budget of such school district, the amounts credited to and the
24 amount on hand in the sales tax enhancement fund, and the amount
25 expended therefrom shall be included in the annual budget for the in-
26 formation of the residents of the school district. Interest earned on the
27 investment of moneys in such fund shall be credited to such fund.

28 New Sec. 10. (a) In each school year, each district located in a
29 county which has imposed an income tax surtax pursuant to section 1,
30 and amendments thereto, is eligible for state aid under this section. The
31 amount of such state aid shall be determined by the state board as pro-
32 vided by this section. The state board shall:

33 (1) Determine the average income tax liability per pupil of the school
34 district during the three preceding tax years;

35 (2) rank the districts from low to high on the basis of the average
36 income tax liability per pupil as determined under paragraph (1);

37 (3) identify the amount of the average income tax liability per pupil
38 as determined under paragraph (1) located at the 95th percentile as
39 ranked under paragraph (2);

40 (4) divide the amount of the average income tax liability per pupil of
41 the district during the three preceding tax years by the amount identified
42 under paragraph (3);

43 (5) subtract the ratio obtained under paragraph (4) from 1.0. If the

1 resulting ratio equals or exceeds 1.0, the eligibility of the district for en-
2 titlement to state aid under this section shall lapse. If the resulting ratio
3 is less than 1.0, the district is entitled to state aid under this section in an
4 amount which shall be determined by the state board by multiplying the
5 amount of the tax imposed pursuant to section 1, and amendments
6 thereto, by such ratio. The product is the amount of state aid the district
7 is entitled to receive for the school year under this section.

8 (b) If the amount of appropriations for such state aid is less than the
9 amount each district is entitled to receive for the school year, the state
10 board shall prorate the amount appropriated among the districts in pro-
11 portion to the amount each district is entitled to receive.

12 (c) The state board of education shall prescribe the dates upon which
13 the distribution of payments of such state aid to school districts shall be
14 due. Payments shall be distributed to districts on the dates prescribed by
15 the state board. The state board shall certify to the director of accounts
16 and reports the amount due each district, and the director of accounts
17 and reports shall draw a warrant on the state treasurer payable to the
18 treasurer of the district. Upon receipt of the warrant, the treasurer of the
19 district shall credit the amount thereof to the property tax enhancement
20 fund of the district to be used for the purposes of such fund.

21 (d) If any amount of state aid that is due to be paid during the month
22 of June of a school year pursuant to the other provisions of this section
23 is not paid on or before June 30 of such school year, then such payment
24 shall be paid on or after the ensuing July 1, as soon as moneys are available
25 therefor. Any payment of state aid that is due to be paid during the month
26 of June of a school year and that is paid to school districts on or after the
27 ensuing July 1 shall be recorded and accounted for by school districts as
28 a receipt for the school year ending on the preceding June 30.

29 New Sec. 11. (a) In each school year, each district located in a county
30 which has imposed a property tax pursuant to section 2, and amendments
31 thereto, is eligible for state aid under this section. The amount of such
32 state aid shall be determined by the state board as provided by this sec-
33 tion. The state board shall:

34 (1) Determine the amount of the assessed valuation per pupil in the
35 preceding school year of each district in the state;

36 (2) rank the districts from low to high on the basis of the amounts of
37 assessed valuation per pupil determined under paragraph (1);

38 (3) identify the amount of the assessed valuation per pupil located at
39 the 75th percentile of the amounts ranked under paragraph (2);

40 (4) divide the assessed valuation per pupil of the district in the pre-
41 ceding school year by the amount identified under paragraph (3);

42 (5) subtract the ratio obtained under paragraph (4) from 1.0. If the
43 resulting ratio equals or exceeds 1.0, the eligibility of the district for en-

1 entitlement to state aid under this section shall lapse. If the resulting ratio
2 is less than 1.0, the district is entitled to state aid under this section in an
3 amount which shall be determined by the state board by multiplying the
4 amount levied under section 2, and amendments thereto, by such ratio.
5 The product is the amount of state aid the district is entitled to receive
6 for the school year under this section.

7 (b) If the amount of appropriations for such state aid is less than the
8 amount each district is entitled to receive for the school year, the state
9 board shall prorate the amount appropriated among the districts in pro-
10 portion to the amount each district is entitled to receive.

11 (c) The state board of education shall prescribe the dates upon which
12 the distribution of payments of such state aid to school districts shall be
13 due. Payments shall be distributed to districts on the dates prescribed by
14 the state board. The state board shall certify to the director of accounts
15 and reports the amount due each district, and the director of accounts
16 and reports shall draw a warrant on the state treasurer payable to the
17 treasurer of the district. Upon receipt of the warrant, the treasurer of the
18 district shall credit the amount thereof to the property tax enhancement
19 fund of the district to be used for the purposes of such fund.

20 (d) If any amount of state aid that is due to be paid during the month
21 of June of a school year pursuant to the other provisions of this section
22 is not paid on or before June 30 of such school year, then such payment
23 shall be paid on or after the ensuing July 1, as soon as moneys are available
24 therefor. Any payment of state aid that is due to be paid during the month
25 of June of a school year and that is paid to school districts on or after the
26 ensuing July 1 shall be recorded and accounted for by school districts as
27 a receipt for the school year ending on the preceding June 30.

28 New Sec. 12. (a) In each school year, each district located in a county
29 which has imposed a sales tax pursuant to subsection (f) of K.S.A. 12-187,
30 and amendments thereto, is eligible for state aid under this section. The
31 amount of such state aid shall be determined by the state board as pro-
32 vided by this section. The state board shall:

33 (1) Determine the amount of the taxable sales per pupil during the
34 preceding three school years of each district in the state;

35 (2) rank the districts from low to high on the basis of the amounts of
36 taxable sales per pupil determined under paragraph (1);

37 (3) identify the amount of the taxable sales at the 75th percentile of
38 the amounts ranked under paragraph (2);

39 (4) divide the amount of taxable sales per pupil during the preceding
40 three years under paragraph (3);

41 (5) subtract the ratio obtained under paragraph (4) from 1.0. If the
42 resulting ratio equals or exceeds 1.0, the eligibility of the district for en-
43 titlement to state aid under this section shall lapse. If the resulting ratio

1 is less than 1.0, the district is entitled to state aid under this section in an
2 amount which shall be determined by the state board by multiplying the
3 amount of the tax imposed pursuant to subsection (f) of K.S.A. 12-187,
4 and amendments thereto, by such ratio. The product is the amount of
5 state aid the district is entitled to receive for the school year under this
6 section.

7 (b) If the amount of appropriations for such state aid is less than the
8 amount each district is entitled to receive for the school year, the state
9 board shall prorate the amount appropriated among the districts in pro-
10 portion to the amount each district is entitled to receive.

11 (c) The state board of education shall prescribe the dates upon which
12 the distribution of payments of such state aid to school districts shall be
13 due. Payments shall be distributed to districts on the dates prescribed by
14 the state board. The state board shall certify to the director of accounts
15 and reports the amount due each district, and the director of accounts
16 and reports shall draw a warrant on the state treasurer payable to the
17 treasurer of the district. Upon receipt of the warrant, the treasurer of the
18 district shall credit the amount thereof to the property tax enhancement
19 fund of the district to be used for the purposes of such fund.

20 (d) If any amount of state aid that is due to be paid during the month
21 of June of a school year pursuant to the other provisions of this section
22 is not paid on or before June 30 of such school year, then such payment
23 shall be paid on or after the ensuing July 1, as soon as moneys are available
24 therefor. Any payment of state aid that is due to be paid during the month
25 of June of a school year and that is paid to school districts on or after the
26 ensuing July 1 shall be recorded and accounted for by school districts as
27 a receipt for the school year ending on the preceding June 30.

28 New Sec. 13. The Kansas department of revenue shall provide to the
29 Kansas department of education any information necessary to determine
30 the amount of state aid under this act.

31 Sec. 14. K.S.A. 2004 Supp. 12-187, 12-189, 12-192 and 19-101a are
32 hereby repealed.

33 Sec. 15. This act shall take effect and be in force from and after its
34 publication in the statute book.