

SENATE BILL No. 92

By Committee on Assessment and Taxation

1-16

10 AN ACT concerning sales taxation; relating to isolated or occasional sales
11 of motor vehicles; collection and remittance, electronic funds transfer;
12 amending K.S.A. 2006 Supp. 79-3604 and repealing the existing
13 section.

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

16 Section 1. K.S.A. 2006 Supp. 79-3604 is hereby amended to read as
17 follows: 79-3604. (a) The tax levied under the Kansas retailers' sales tax
18 act shall be paid by the consumer or user to the retailer and it shall be
19 the duty of each and every retailer in this state to collect from the con-
20 sumer or user, the full amount of the tax imposed or an amount equal as
21 nearly as possible or practicable to the average equivalent thereof. Such
22 tax shall be a debt from the consumer or user to the retailer, when so
23 added to the original purchase price, and shall be recoverable at law in
24 the same manner as other debts, except that the tax levied on isolated or
25 occasional sales of motor vehicles or trailers within the state and upon
26 the sales of taxable tangible personal property or services when the di-
27 rector shall determine the same to be necessary as hereinafter provided
28 shall be paid and collected as herein provided for.

29 (b) The tax on such isolated or occasional sales shall be paid to the
30 director of taxation by the purchaser of the motor vehicle or trailer or to
31 the county treasurer upon application for certificate of *title and* registra-
32 tion ~~or ownership~~. The purchaser shall sign and present to the county
33 treasurer or director of taxation a statement specifying the true and cor-
34 rect selling price of the motor vehicle or trailer and containing a warning
35 to the purchaser of the consequences of making false statements or in-
36 formation or presenting falsified documents related thereto. Such state-
37 ment shall be in a form promulgated by the director of taxation. If pay-
38 ment is made to the director of taxation, the director shall issue a receipt
39 therefor. If the sales tax is not paid to the director of taxation, the county
40 treasurer, upon application for certificate of *title and* registration ~~or own-~~
41 ~~ership~~, shall collect such sales tax payment from the applicant. The county
42 treasurer shall charge the applicant a collection service fee of \$.50, and
43 shall give the applicant a receipt showing the tax and fee paid in full. The

1 county treasurer shall transmit monthly all such sales tax moneys collected
2 to the director of taxation and shall place the fees collected in the special
3 fund provided in K.S.A. 8-145 and amendments thereto, to be used for
4 the purpose of paying necessary extra help and expenses, *except that on*
5 *and after January 1, 2008, the county treasurer shall transmit ~~daily~~*
6 ***weekly** by electronic funds transfer all such sales tax moneys collected.*

7 (c) Whenever the director of taxation determines that in the retail
8 sale of any tangible personal property or services because of the nature
9 of the operation of the business including the turnover of independent
10 contractors, the lack of a place of business in which to display a registra-
11 tion certificate or keep records, the lack of adequate records or because
12 such retailers are minors or transients there is a likelihood that the state
13 will lose tax funds due to the difficulty of policing such business opera-
14 tions, it shall be the duty of the vendor to such person to collect the full
15 amount of the tax imposed by this act and to make a return and payment
16 of the tax to the director of taxation in like manner as that provided for
17 the making of returns and the payment of taxes by retailers under the
18 provisions of this act. The director shall notify the vendor or vendors to
19 such retailer of the duty to collect and make a return and payment of the
20 tax.

21 (d) In the event the full amount of the tax provided by this act is not
22 paid to the retailer by the consumer or user, the director of taxation may
23 proceed directly against the consumer or user to collect the full amount
24 of the tax due on the retail sale.

25 Sec. 2. K.S.A. 2006 Supp. 79-3604 is hereby repealed.

26 Sec. 3. This act shall take effect and be in force from and after its
27 publication in the statute book.