

HOUSE BILL No. 2745

By Committee on Taxation

3-23

9 AN ACT concerning taxation; imposing excise tax on the transmission of
10 money by money transmitters; prescribing rate of taxation; procedures;
11 distribution of revenue.

12

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

14 Section 1. (a) There is hereby imposed an excise tax under this sec-
15 tion on the transmission of money using the services of a money trans-
16 mitter, as described in K.S.A. 2009 Supp 9-509, and amendments thereto,
17 which shall be used for the purposes for which expenditures may be made
18 from the medicaid health care fund established by section 2, and amend-
19 ments thereto. Such tax shall be imposed on such money transmitter.

20 (b) Each such money transmitter shall charge and collect an excise
21 tax for each transmission in an amount equal to the aggregate of: (1) The
22 amount of \$5 of the transmission; and (2) the amount equal to 2% of any
23 portion of the transmission that is in excess of \$500.

24 (c) Each money transmitter shall remit all moneys collected for the
25 excise tax imposed by this section, together with a copy of all receipts
26 from the transmission, to the director of taxation. The secretary of reve-
27 nue shall remit all moneys collected for excise taxes to the state treasurer
28 in accordance with the provisions of K.S.A. 2009 Supp. 75-4215, and
29 amendments thereto. Upon receipt of each such remittance, the state
30 treasurer shall deposit the entire amount in the state treasury to the credit
31 of the medicaid health care fund established by section 2, and amend-
32 ments thereto.

33 (d) The director of taxation shall administer the provisions of this act.

34 (e) Each such money transmitter shall obtain a registration certificate
35 from the director of taxation. Application for such certificate shall be
36 made to the director electronically in the manner prescribed by the di-
37 rector, and shall state the name of the applicant, the address or addresses
38 at which the applicant is doing business and the character of the business.
39 The money transmitter shall be issued a registration certificate upon
40 meeting all requirements of this act and the director. A separate regis-
41 tration certificate shall be issued for each place of business and shall be
42 conspicuously displayed at each such place of business. A money trans-
43 mitter may cancel its registration at any time under uniform procedures

1 determined by the director. Cancellation does not relieve the money
2 transmitter of its liability for remitting to this state any taxes collected.
3 The secretary of revenue may suspend or revoke the registration certifi-
4 cate of any money transmitter found in default for a period of at least 60
5 days in the payment of any tax or in the filing of any return. Prior to taking
6 any action, the secretary shall provide the money transmitter 30 days'
7 notice of the time and place of a hearing to be conducted pursuant to the
8 Kansas administrative procedure act to show cause why such registration
9 certificate should not be suspended or revoked. A suspended or revoked
10 registration certificate shall not be reinstated until all outstanding tax,
11 penalty and interest liabilities are satisfied. A suspension or revocation
12 pursuant to this subsection shall be applicable to any individual who is a
13 responsible party for the collection or payment of the tax imposed under
14 this act. A money transmitter shall not conduct such business without a
15 registration certificate or after such money transmitter's registration cer-
16 tificate has been suspended or revoked.

17 (f) Any such money transmitter shall file returns with the director
18 electronically at times and with information as required by the director
19 in the manner prescribed by the director. The money transmitter, at the
20 time of filing the return, shall pay by electronic fund transfer to the di-
21 rector the amount of tax imposed by this act. Such return and payment
22 of tax shall be due on or before the 25th day of each month following the
23 monthly reporting period of the return.

24 (g) The provisions of K.S.A. 79-3609, 79-3610, 79-3611, 79-3612, 79-
25 3615, 79-3617 and 79-3643, and amendments thereto, shall apply to the
26 administration and enforcement of this act.

27 (h) The secretary of revenue may adopt rules and regulations nec-
28 essary to administer the provisions of this act.

29 Sec. 2. There is hereby established in the state treasury the medicaid
30 health care fund which shall be administered by the department of social
31 and rehabilitation services. All expenditures from the medicaid health
32 care fund shall be for the purpose of providing health care. All expendi-
33 tures from the medicaid health care fund shall be made in accordance
34 with appropriation acts upon warrants of the director of accounts and
35 reports issued pursuant to vouchers approved by the secretary of social
36 and rehabilitation services or the designee of the secretary.

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