

SENATE BILL No. 515

By Committee on Ways and Means

2-2

9 AN ACT relating to transportation; providing for a transportation works
10 for Kansas program; relating to the financing thereof; amending K.S.A.
11 8-143b, 8-143c, 8-143g, 8-143h, 8-143i, 8-143k, 8-195, 8-234b, 8-2409,
12 12-1775, 68-416, 68-20,120, 68-2320, 68-2321 and 68-2328 and K.S.A.
13 2009 Supp. 8-142, 8-143, 8-143j, 8-143l, 8-145, 8-172, 8-2406, 8-2425,
14 12-6a35, 12-6a36, 12-1774, 12-1774a, 12-17,148, 12-17,149, 68-2315,
15 68-2331, 75-5063, 75-5064, 75-5160, 79-3408c, 79-3491a, 79-3492b,
16 79-34,118, 79-34,141, 79-34,142, 79-3606 and 79-3620 and repealing
17 the existing sections; also repealing K.S.A. 68-2314a.
18

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

20 New Section 1. (a) In order to plan, develop and operate or coor-
21 dinate the development and operation of the various modes and systems
22 of transportation within the state, the secretary of transportation is hereby
23 authorized and directed to initiate a transportation works for Kansas
24 program.

25 (b) The transportation works for Kansas program shall provide for
26 the construction, improvement, reconstruction and maintenance of the
27 state highway system. The program shall provide for the selection of pro-
28 jects which will allow for the flexibility to meet emerging and economic
29 needs. Program expenditures may include, but not be limited to, the
30 following:

31 (1) Preservation projects to efficiently maintain a safe state highway
32 system in its original or improved condition. It is the intent of the legis-
33 lature that bridges and pavement condition of the state highway system
34 be maintained or improved as determined by the Kansas department of
35 transportation's performance measures;

36 (2) capacity and economic opportunity projects, which include addi-
37 tions to the transportation system or which improve access, relieve con-
38 gestion and enhance economic development opportunities. The Kansas
39 department of transportation shall develop and utilize criteria for the
40 selection of capacity and economic opportunity projects. The selection
41 criteria shall include, but not be limited to, engineering data, local con-
42 sultation, geographic distribution and an economic impact analysis eval-
43 uation; and

1 (3) modernization projects, which include improvements to the trans-
2 portation system by widening lanes, making geometric improvements,
3 upgrading interchanges or building rail grade separations to improve the
4 safety, condition or service of the highway system. The Kansas depart-
5 ment of transportation shall develop and utilize criteria for the selection
6 of modernization projects. The selection criteria shall include, but not be
7 limited to, engineering data, local consultation and geographic
8 distribution.

9 The department of transportation shall develop criteria for the incor-
10 poration of practical improvements into designs of the projects specified
11 in this subsection.

12 (c) The transportation works for Kansas program shall provide for
13 assistance, including credit and credit enhancements, to cities and coun-
14 ties in meeting their responsibilities for the construction, improvement,
15 reconstruction and maintenance of the roads and bridges not on the state
16 highway system. These expenditures may include, but not be limited to,
17 the following:

18 (1) Apportionment of the special city and county highway fund to
19 assist cities and counties with their responsibilities for roads and bridges
20 not on the state highway system;

21 (2) programs to share federal aid with cities and counties to assist
22 with their responsibilities for roads and bridges not on the state highway
23 system;

24 (3) programs to assist cities with the maintenance of city connecting
25 links as specified in K.S.A. 68-416, and amendments thereto, and local
26 partnership programs to resurface or geometrically improve city con-
27 necting links or to promote economic development;

28 (4) programs to assist cities and counties with railroad crossings of
29 roads not on the state highway system; or

30 (5) programs that allow local governments to exchange federal aid
31 funds for state funds.

32 (d) The transportation works for Kansas program shall provide for a
33 railroad program to provide assistance in accordance with K.S.A. 75-5040
34 through 75-5050, and amendments thereto, for the preservation and re-
35 vitalization of rail service in the state.

36 (e) The transportation works for Kansas program shall provide for an
37 aviation program to provide assistance for the planning, constructing, re-
38 constructing or rehabilitating the facilities of public use general aviation
39 airports, in accordance with K.S.A. 75-5061, and amendments thereto.

40 (f) The transportation works for Kansas program shall provide for
41 public transit programs to aid elderly persons, persons with disabilities
42 and the general public, in accordance with K.S.A. 75-5032 through 75-
43 5038, and amendments thereto, and K.S.A. 75-5051 through 75-5058,

1 and amendments thereto.

2 (g) The transportation works for Kansas program shall provide for a
3 multimodal economic development program to provide assistance for
4 transportation-sensitive economic opportunities on a local or a regional
5 basis.

6 (h) The secretary of transportation shall, using the department of
7 transportation selection methods and criteria, determine the projects to
8 be selected for inclusion under the transportation works for Kansas
9 program.

10 (i) The transportation works for Kansas program authorized by this
11 section shall not be implemented until funding is provided.

12 Sec. 2. K.S.A. 2009 Supp. 8-142 is hereby amended to read as fol-
13 lows: 8-142. It shall be unlawful for any person to commit any of the
14 following acts and except as otherwise provided, violation is subject to
15 penalties provided in K.S.A. 8-149, and amendments thereto:

16 *First:* To operate, or for the owner thereof knowingly to permit the
17 operation, upon a highway of any vehicle, as defined in K.S.A. 8-126, and
18 amendments thereto, which is not registered, or for which a certificate
19 of title has not been issued or which does not have attached thereto and
20 displayed thereon the license plate or plates assigned thereto by the di-
21 vision for the current registration year, including any registration decal
22 required to be affixed to any such license plate pursuant to K.S.A. 8-134,
23 and amendments thereto, subject to the exemptions allowed in K.S.A. 8-
24 135, 8-198 and 8-1751a, and amendments thereto. A violation of this *First*
25 by a person unlawfully claiming that a motor vehicle is exempt from reg-
26 istration as a self-propelled crane under subsection (b) of K.S.A. 8-128,
27 and amendments thereto, shall constitute an unclassified misdemeanor
28 punishable by a fine of not less than \$500.

29 *Second:* To display or cause or permit to be displayed, or to have in
30 possession, any registration receipt, certificate of title, registration license
31 plate, registration decal, accessible parking placard or accessible parking
32 identification card knowing the same to be fictitious or to have been
33 canceled, revoked, suspended or altered. A violation of this part *Second*
34 shall constitute an unclassified misdemeanor punishable by a fine of not
35 less than \$100 and forfeiture of the item. A mandatory court appearance
36 shall be required of any person violating this part *Second*. This part *Sec-*
37 *ond* shall not apply to the possession of: (a) Model year license plates
38 displayed on antique vehicles as allowed under K.S.A. 8-172, and amend-
39 ments thereto; or (b) distinctive license plates allowed under K.S.A. 8-
40 1,147, and amendments thereto.

41 *Third:* To lend to or knowingly permit the use by one not entitled
42 thereto any registration receipt, certificate of title, registration license
43 plate or registration decal issued to the person so lending or permitting

1 the use thereof.

2 *Fourth:* To fail or refuse to surrender to the division, upon demand,
3 any registration receipt, certificate of title, registration license plate or
4 registration decal which has been suspended, canceled or revoked.

5 *Fifth:* To use a false or fictitious name or address in any application for
6 a certificate of title, the registration of any vehicle or for any renewal or
7 duplicate thereof, or knowingly to make a false statement or knowingly
8 to conceal a material fact or otherwise commit a fraud in any such
9 application.

10 *Sixth:* For the owner of a motor vehicle to file application for the reg-
11 istration thereof, in any county other than the county in which the owner
12 of the vehicle resides or has a bona fide place of business, which place is
13 not an office or facility established or maintained solely for the purpose
14 of obtaining registration.

15 *Seventh:* To operate on the highways of this state a vehicle or combi-
16 nation of vehicles whose weight with cargo is in excess of the gross weight
17 for which the truck or truck tractor propelling the same is registered,
18 except as provided by K.S.A. 8-143, and amendments thereto, and sub-
19 sections (a) to (f), inclusive, of K.S.A. 8-1911, and amendments thereto.
20 Such gross weight shall not be required to be in excess of the limitations
21 described by K.S.A. 8-1908 and 8-1909, and amendments thereto, for
22 such vehicle or combination of vehicles of which it is a part. Any person
23 or owner who operates a vehicle in this state with a registration in violation
24 of subsection ~~(2)~~ (b) of K.S.A. 8-143, and amendments thereto, shall be
25 required to pay the additional fee equal to the fee required by the appli-
26 cable registration fee schedule, less the amount of the fee required for
27 the gross weight for which the vehicle is registered to obtain the proper
28 registration therewith. A fine of \$75 shall be assessed for all such gross
29 weight registration violations.

30 *Eighth:* To operate a local truck or truck tractor which is registered for
31 a gross weight of more than 12,000 pounds as a common carrier outside
32 a radius of three miles beyond the corporate limits of the city in which
33 such vehicle was based when registered and licensed or to operate any
34 other local truck or truck tractor licensed for a gross weight of more than
35 12,000 pounds outside a radius of 25 miles beyond the corporate limits
36 of the city in which such vehicle was based when registered and licensed,
37 except as provided in subsection ~~(2)~~ (b) of K.S.A. 8-143 or 8-143i, and
38 amendments thereto.

39 *Ninth:* To operate on the highways of this state a farm truck or farm
40 trailer other than to transport: (a) Agricultural products produced by such
41 owner; (b) commodities purchased by the owner for use on the farm
42 owned or rented by the owner of such vehicles; (c) commodities for re-
43 ligious or educational institutions being transported by the owner of such

1 vehicles for charity and without compensation of any kind, except as pro-
2 vided in subsection (c) of K.S.A. 66-1,109, and amendments thereto; or
3 (d) sand, gravel, slag stone, limestone, crushed stone, cinders, black top,
4 dirt or fill material to a township road maintenance or construction site
5 of the township in which the owner of such truck resides.

6 *Tenth:* To operate a farm truck or truck tractor used in combination
7 with a trailer or semitrailer for a gross weight which does not include the
8 empty weight of the truck or truck tractor or of the combination of any
9 truck or truck tractor and any type of trailer or semitrailer, plus the max-
10 imum weight of cargo which will be transported on or with the same; and
11 such farm truck or farm truck tractor used to transport a gross weight of
12 more than 54,000 pounds shall have durably lettered on the side of the
13 motor vehicle the words “farm vehicle—not for hire.”

14 *Eleventh:* To operate on the highways of this state any truck or truck
15 tractor without the current quarter of license fees being paid thereon.

16 *Twelfth:* To operate on the highways of this state a truck or truck tractor
17 without carrying in the cab a copy of the registration receipt for such
18 vehicle or without having painted or otherwise durably marked on said
19 vehicle on both sides thereof, the gross weight for which said vehicle is
20 licensed and the name and address of the owner thereof, except as pro-
21 vided in K.S.A. 8-143e, and amendments thereto.

22 *Thirteenth:* To operate on the highways of this state a farm trailer car-
23 rying more than 6,000 pounds without being registered and the registra-
24 tion fees paid thereon.

25 *Fourteenth:* To operate more than 6,000 miles in any calendar year any
26 truck or truck tractor which has been registered and licensed to operate
27 not more than 6,000 miles in such calendar year, as provided in subsection
28 ~~(2)~~ (b) of K.S.A. 8-143, and amendments thereto, unless the additional
29 fee required by ~~said such~~ subsection ~~(2)~~ (b) has been paid.

30 *Fifteenth:* For any owner who has registered a truck or truck tractor
31 on the basis of operating not more than 6,000 miles to fail to keep the
32 records required by the director of vehicles, or to fail to comply with rules
33 and regulations of the secretary of revenue relating to such registration.

34 *Sixteenth:* To operate a vehicle or combination of vehicles on the na-
35 tional system of interstate and defense highways with a gross weight
36 greater than permitted by the laws of the United States Congress.

37 Sec. 3. K.S.A. 2009 Supp. 8-143 is hereby amended to read as fol-
38 lows: 8-143. ~~(1)~~ (a) All applications for the registration of motorcycles,
39 motorized bicycles and passenger vehicles other than trucks and truck
40 tractors, except as otherwise provided, shall be accompanied by an annual
41 license fee as follows: ~~For motorized bicycles, \$11, for motorcycles, \$16;~~
42 ~~for passenger vehicles, other than motorcycles, used solely for the car-~~
43 ~~rying of persons for pleasure or business, and for hearses and ambulances~~

1 a fee of (i) \$30 for those having a gross weight of 4,500 pounds or less;
2 ~~(ii) \$40 for those having a gross weight of more than 4,500 pounds;~~
3 (1) For motorized bicycles, \$11, on January 1, 2013, \$21, on January
4 1, 2014, \$31;
5 (2) for motorcycles, \$16, on January 1, 2013, \$26, on January 1, 2014,
6 \$36;
7 (3) for passenger vehicles, other than motorcycles, used solely for the
8 carrying of persons for pleasure or business, and for hearses and ambu-
9 lances a fee of:
10 (A) For those having a gross weight of 4,500 pounds or less, \$30, on
11 January 1, 2013, \$40, on January 1, 2014, \$50; and
12 (B) for those having a gross weight of more than 4,500 pounds, \$40,
13 on January 1, 2013, \$50, on January 1, 2014, \$60;
14 (4) for each electrically propelled motor vehicle, except electrically
15 propelled vehicles intended for the purpose of transporting any com-
16 modity, goods, merchandise, produce or freight, or passengers for hire,
17 a fee of \$14 on January 1, 2013, \$24, on January 1, 2014, \$34.
18 (5) Except for motor vehicles, trailers or semitrailers registered under
19 the provisions of K.S.A. 8-1,134, and amendments thereto, the annual
20 registration fee for each motor vehicle, trailer or semitrailer owned by
21 any political or taxing subdivision of this state or by any agency or instru-
22 mentality of any one or more political or taxing subdivisions of this state
23 and used exclusively for governmental purposes and not for any private
24 or utility purposes, which is not otherwise exempt from registration, shall
25 be \$2.
26 ~~(2)~~ (b) As used in this subsection, the term “gross weight” shall mean
27 and include the empty weight of the truck, or combination of the truck
28 or truck tractor and any type trailer or semitrailer, plus the maximum
29 weight of cargo which will be transported on or with the same, except
30 when the empty weight of a truck plus the maximum weight of cargo
31 which will be transported thereon is 12,000 pounds or less. The term
32 gross weight shall not include: The weight of any travel trailer propelled
33 thereby which is being used for private recreational purposes; or the
34 weight of any vehicle or combination of vehicles for which wrecker or
35 towing service, as defined in K.S.A. 66-1329, and amendments thereto,
36 is to be provided by a wrecker or tow truck, as defined in K.S.A. 66-1329,
37 and amendments thereto. Such wrecker or tow truck shall be registered
38 for the empty weight of such vehicle fully equipped for the recovery or
39 towing of vehicles. The gross weight license fees hereinafter prescribed
40 shall only apply to the truck or truck tractor used as the propelling unit
41 for the cargo and vehicle propelled, either as a single vehicle or combi-
42 nation of vehicles. On application for the registration of a truck or truck
43 tractor, the owner thereof shall declare as a part of such application the

1 maximum gross weight the owner desires to be applicable to such vehicle,
 2 which declared gross weight in no event shall be in excess of the limita-
 3 tions described by K.S.A. 8-1908 and 8-1909, and amendments thereto,
 4 for such vehicle or combination of vehicles of which it will be a part. All
 5 applications for the registration of trucks or truck tractors, except as oth-
 6 erwise provided herein, shall be accompanied by an annual license fee as
 7 follows:

8 (A) *Prior to January 1, 2013:*

| | | |
|----|--|-------|
| 9 | For a gross weight of 12,000 lbs. or less | \$40 |
| 10 | For a gross weight of more than 12,000 lbs. and not more than 16,000 | |
| 11 | lbs. | 102 |
| 12 | For a gross weight of more than 16,000 lbs. and not more than 20,000 | |
| 13 | lbs. | 132 |
| 14 | For a gross weight of more than 20,000 lbs. and not more than 24,000 | |
| 15 | lbs. | 197 |
| 16 | For a gross weight of more than 24,000 lbs. and not more than 26,000 | |
| 17 | lbs. | 312 |
| 18 | For a gross weight of more than 26,000 lbs. and not more than 30,000 | |
| 19 | lbs. | 312 |
| 20 | For a gross weight of more than 30,000 lbs. and not more than 36,000 | |
| 21 | lbs. | 375 |
| 22 | For a gross weight of more than 36,000 lbs. and not more than 42,000 | |
| 23 | lbs. | 475 |
| 24 | For a gross weight of more than 42,000 lbs. and not more than 48,000 | |
| 25 | lbs. | 605 |
| 26 | For a gross weight of more than 48,000 lbs. and not more than 54,000 | |
| 27 | lbs. | 805 |
| 28 | For a gross weight of more than 54,000 lbs. and not more than 60,000 | |
| 29 | lbs. | 1,010 |
| 30 | For a gross weight of more than 60,000 lbs. and not more than 66,000 | |
| 31 | lbs. | 1,210 |
| 32 | For a gross weight of more than 66,000 lbs. and not more than 74,000 | |
| 33 | lbs. | 1,535 |
| 34 | For a gross weight of more than 74,000 lbs. and not more than 80,000 | |
| 35 | lbs. | 1,735 |
| 36 | For a gross weight of more than 80,000 lbs. and not more than 85,500 | |
| 37 | lbs. | 1,935 |

38 (B) *On January 1, 2013, through December 31, 2013:*

| | | |
|----|---|-------------|
| 39 | <i>For a gross weight of 12,000 lbs. or less</i> | <i>\$50</i> |
| 40 | <i>For a gross weight of more than 12,000 lbs. and not more than 16,000</i> | |
| 41 | <i> lbs.</i> | <i>152</i> |
| 42 | <i>For a gross weight of more than 16,000 lbs. and not more than 20,000</i> | |
| 43 | <i> lbs.</i> | <i>182</i> |

| | | |
|----|---|-------|
| 1 | <i>For a gross weight of more than 20,000 lbs. and not more than 24,000</i> | |
| 2 | <i>lbs.</i> | 247 |
| 3 | <i>For a gross weight of more than 24,000 lbs. and not more than 26,000</i> | |
| 4 | <i>lbs.</i> | 362 |
| 5 | <i>For a gross weight of more than 26,000 lbs. and not more than 30,000</i> | |
| 6 | <i>lbs.</i> | 362 |
| 7 | <i>For a gross weight of more than 30,000 lbs. and not more than 36,000</i> | |
| 8 | <i>lbs.</i> | 425 |
| 9 | <i>For a gross weight of more than 36,000 lbs. and not more than 42,000</i> | |
| 10 | <i>lbs.</i> | 525 |
| 11 | <i>For a gross weight of more than 42,000 lbs. and not more than 48,000</i> | |
| 12 | <i>lbs.</i> | 655 |
| 13 | <i>For a gross weight of more than 48,000 lbs. and not more than 54,000</i> | |
| 14 | <i>lbs.</i> | 855 |
| 15 | <i>For a gross weight of more than 54,000 lbs. and not more than 60,000</i> | |
| 16 | <i>lbs.</i> | 1,060 |
| 17 | <i>For a gross weight of more than 60,000 lbs. and not more than 66,000</i> | |
| 18 | <i>lbs.</i> | 1,260 |
| 19 | <i>For a gross weight of more than 66,000 lbs. and not more than 74,000</i> | |
| 20 | <i>lbs.</i> | 1,585 |
| 21 | <i>For a gross weight of more than 74,000 lbs. and not more than 80,000</i> | |
| 22 | <i>lbs.</i> | 1,785 |
| 23 | <i>For a gross weight of more than 80,000 lbs. and not more than 85,500</i> | |
| 24 | <i>lbs.</i> | 1,985 |
| 25 | <i>(C) On January 1, 2014:</i> | |
| 26 | <i>For a gross weight of 12,000 lbs. or less</i> | \$60 |
| 27 | <i>For a gross weight of more than 12,000 lbs. and not more than 16,000</i> | |
| 28 | <i>lbs.</i> | 202 |
| 29 | <i>For a gross weight of more than 16,000 lbs. and not more than 20,000</i> | |
| 30 | <i>lbs.</i> | 232 |
| 31 | <i>For a gross weight of more than 20,000 lbs. and not more than 24,000</i> | |
| 32 | <i>lbs.</i> | 297 |
| 33 | <i>For a gross weight of more than 24,000 lbs. and not more than 26,000</i> | |
| 34 | <i>lbs.</i> | 418 |
| 35 | <i>For a gross weight of more than 26,000 lbs. and not more than 30,000</i> | |
| 36 | <i>lbs.</i> | 418 |
| 37 | <i>For a gross weight of more than 30,000 lbs. and not more than 36,000</i> | |
| 38 | <i>lbs.</i> | 475 |
| 39 | <i>For a gross weight of more than 36,000 lbs. and not more than 42,000</i> | |
| 40 | <i>lbs.</i> | 575 |
| 41 | <i>For a gross weight of more than 42,000 lbs. and not more than 48,000</i> | |
| 42 | <i>lbs.</i> | 705 |
| 43 | | |

1 For a gross weight of more than 48,000 lbs. and not more than 54,000
2 lbs. 905
3 For a gross weight of more than 54,000 lbs. and not more than 60,000
4 lbs. 1,110
5 For a gross weight of more than 60,000 lbs. and not more than 66,000
6 lbs. 1,310
7 For a gross weight of more than 66,000 lbs. and not more than 74,000
8 lbs. 1,635
9 For a gross weight of more than 74,000 lbs. and not more than 80,000
10 lbs. 1,835
11 For a gross weight of more than 80,000 lbs. and not more than 85,500
12 lbs. 2,035

13 (2) If the applicant for registration of any truck or truck tractor for a
14 gross weight of more than 12,000 pounds is the state of Kansas or any
15 political or taxing subdivision or agency of the state, except a city or
16 county, whose truck or truck tractor is not otherwise entitled to the \$2
17 license fee or otherwise exempt from all fees, such vehicle may be li-
18 censed for a fee in accordance with the schedule hereinafter prescribed
19 for local trucks or truck tractors.

20 (3) If the applicant for registration of any truck or truck tractor for a
21 gross weight of more than 12,000 pounds shall under oath state in writing
22 on a form prescribed and furnished by the director of vehicles that the
23 applicant does not expect to operate it more than 6,000 miles in the
24 calendar year for which the applicant seeks registration, and that if the
25 applicant shall operate it more than 6,000 miles during such registration
26 year such applicant will pay an additional fee equal to the fee required
27 by the preceding schedule under paragraph (1), less the amount of the
28 fee paid at time of registration, such vehicle may be licensed for a fee in
29 accordance with the schedule hereinafter prescribed for local trucks or
30 truck tractors, and whenever the same. Whenever a truck or truck tractor
31 is registered on a local truck or truck tractor fee basis a tab or marker
32 shall be issued in connection with the regular license plate, which tab or
33 marker shall be attached or affixed to and displayed with the regular
34 license plate and the failure to have the same attached, affixed or dis-
35 played shall be subject to the same penalties as provided by law for the
36 failure to display the regular license plate; and the secretary of revenue
37 may adopt rules and regulations requiring the owners of trucks and truck
38 tractors so registered on a local truck or truck tractor fee basis to keep
39 such records and make such reports of mileage of such vehicles as the
40 secretary of revenue shall deem proper.

41 (4) A transporter delivering vehicles not the transporter's own by the
42 driveway method where such vehicles are being driven, towed, or trans-
43 ported singly, or by the saddlemount, towbar, or fullmount methods, or

1 by any lawful combination thereof, may apply for license plates which
2 may be transferred from one such vehicle or combination to another for
3 each delivery without further registration, and the annual license fee for
4 such license plate shall be as follows:

5 (A) *Prior to January 1, 2013:*

6 For the first such set of license plates \$44

7 For each additional such set of license plates 18

8 (B) *On January 1, 2013, through December 31, 2013:*

9 For the first such set of license plates \$54

10 For each additional such set of license plates 28

11 (C) *On January 1, 2014:*

12 For the first such set of license plates \$64

13 For each additional such set of license plates 38

14 (5) A truck or truck tractor registered for a gross weight of more than
15 12,000 pounds, which is operated wholly within the corporate limits of a
16 city or village or within a radius of 25 miles beyond the corporate limits,
17 shall be classified as a local truck except that in no event shall such vehicles
18 operated as contract or common carriers outside a radius of three miles
19 beyond the corporate limits of the city or village in which such vehicles
20 were based when registered and licensed be considered local trucks or
21 truck tractors. The secretary of revenue is hereby authorized and directed
22 to adopt rules and regulations prescribing a procedure for the issuance
23 of permits by the division of vehicles whereby owners of local trucks or
24 truck tractors may operate any such vehicle, empty, beyond the radius
25 hereinbefore prescribed, when such operation is solely for the purpose
26 of having such vehicle repaired, painted or serviced or for adding addi-
27 tional equipment thereto. The annual license fee for a local truck or truck
28 tractor, except as otherwise provided herein, shall be as follows:

29 (A) *Prior to January 1, 2013:*

30 For a gross weight of more than 12,000 lbs. and not more than 16,000

31 lbs. \$62

32 For a gross weight of more than 16,000 lbs. and not more than 20,000

33 lbs. 102

34 For a gross weight of more than 20,000 lbs. and not more than 24,000

35 lbs. 132

36 For a gross weight of more than 24,000 lbs. and not more than 26,000

37 lbs. 177

38 For a gross weight of more than 26,000 lbs. and not more than 30,000

39 lbs. 177

40 For a gross weight of more than 30,000 lbs. and not more than 36,000

41 lbs. 215

42 For a gross weight of more than 36,000 lbs. and not more than 42,000

43 lbs. 245

| | | |
|----|---|--------------|
| 1 | For a gross weight of more than 42,000 lbs. and not more than 48,000 | |
| 2 | lbs. | 315 |
| 3 | For a gross weight of more than 48,000 lbs. and not more than 54,000 | |
| 4 | lbs. | 415 |
| 5 | For a gross weight of more than 54,000 lbs. and not more than 60,000 | |
| 6 | lbs. | 480 |
| 7 | For a gross weight of more than 60,000 lbs. and not more than 66,000 | |
| 8 | lbs. | 580 |
| 9 | For a gross weight of more than 66,000 lbs. and not more than 74,000 | |
| 10 | lbs. | 760 |
| 11 | For a gross weight of more than 74,000 lbs. and not more than 80,000 | |
| 12 | lbs. | 890 |
| 13 | For a gross weight of more than 80,000 lbs. and not more than 85,500 | |
| 14 | lbs. | 1,010 |
| 15 | <i>(B) On January 1, 2013, through December 31, 2013:</i> | |
| 16 | <i>For a gross weight of more than 12,000 lbs. and not more than 16,000</i> | |
| 17 | <i> lbs.</i> | <i>\$112</i> |
| 18 | <i>For a gross weight of more than 16,000 lbs. and not more than 20,000</i> | |
| 19 | <i> lbs.</i> | <i>152</i> |
| 20 | <i>For a gross weight of more than 20,000 lbs. and not more than 24,000</i> | |
| 21 | <i> lbs.</i> | <i>182</i> |
| 22 | <i>For a gross weight of more than 24,000 lbs. and not more than 26,000</i> | |
| 23 | <i> lbs.</i> | <i>227</i> |
| 24 | <i>For a gross weight of more than 26,000 lbs. and not more than 30,000</i> | |
| 25 | <i> lbs.</i> | <i>227</i> |
| 26 | <i>For a gross weight of more than 30,000 lbs. and not more than 36,000</i> | |
| 27 | <i> lbs.</i> | <i>265</i> |
| 28 | <i>For a gross weight of more than 36,000 lbs. and not more than 42,000</i> | |
| 29 | <i> lbs.</i> | <i>295</i> |
| 30 | <i>For a gross weight of more than 42,000 lbs. and not more than 48,000</i> | |
| 31 | <i> lbs.</i> | <i>365</i> |
| 32 | <i>For a gross weight of more than 48,000 lbs. and not more than 54,000</i> | |
| 33 | <i> lbs.</i> | <i>465</i> |
| 34 | <i>For a gross weight of more than 54,000 lbs. and not more than 60,000</i> | |
| 35 | <i> lbs.</i> | <i>530</i> |
| 36 | <i>For a gross weight of more than 60,000 lbs. and not more than 66,000</i> | |
| 37 | <i> lbs.</i> | <i>630</i> |
| 38 | <i>For a gross weight of more than 66,000 lbs. and not more than 74,000</i> | |
| 39 | <i> lbs.</i> | <i>810</i> |
| 40 | <i>For a gross weight of more than 74,000 lbs. and not more than 80,000</i> | |
| 41 | <i> lbs.</i> | <i>940</i> |
| 42 | <i>For a gross weight of more than 80,000 lbs. and not more than 85,500</i> | |
| 43 | <i> lbs.</i> | <i>1,060</i> |

1 (C) *On January 1, 2014:*

2 For a gross weight of more than 12,000 lbs. and not more than 16,000

3 lbs. \$162

4 For a gross weight of more than 16,000 lbs. and not more than 20,000

5 lbs. 202

6 For a gross weight of more than 20,000 lbs. and not more than 24,000

7 lbs. 232

8 For a gross weight of more than 24,000 lbs. and not more than 26,000

9 lbs. 277

10 For a gross weight of more than 26,000 lbs. and not more than 30,000

11 lbs. 277

12 For a gross weight of more than 30,000 lbs. and not more than 36,000

13 lbs. 315

14 For a gross weight of more than 36,000 lbs. and not more than 42,000

15 lbs. 345

16 For a gross weight of more than 42,000 lbs. and not more than 48,000

17 lbs. 415

18 For a gross weight of more than 48,000 lbs. and not more than 54,000

19 lbs. 515

20 For a gross weight of more than 54,000 lbs. and not more than 60,000

21 lbs. 580

22 For a gross weight of more than 60,000 lbs. and not more than 66,000

23 lbs. 680

24 For a gross weight of more than 66,000 lbs. and not more than 74,000

25 lbs. 860

26 For a gross weight of more than 74,000 lbs. and not more than 80,000

27 lbs. 990

28 For a gross weight of more than 80,000 lbs. and not more than 85,500

29 lbs. 1,110

30 (6) A truck or truck tractor registered for a gross weight of more than

31 12,000 pounds, which is owned by a person engaged in farming and which

32 truck or truck tractor is used by such owner to transport agricultural

33 products produced by such owner or commodities purchased by such

34 owner for use on the farm owned or rented by the owner of such farm

35 truck or truck tractor, shall be classified as a farm truck or truck tractor

36 and the annual license fee for such farm truck shall be as follows:

37 (A) *Prior to January 1, 2013:*

38 For a gross weight of more than 12,000 lbs. and not more than 16,000

39 lbs. \$37

40 For a gross weight of more than 16,000 lbs. and not more than 20,000

41 lbs. 42

42 For a gross weight of more than 20,000 lbs. and not more than 24,000

43 lbs. 52

| | | |
|----|---|------|
| 1 | For a gross weight of more than 24,000 lbs. and not more than 26,000 | |
| 2 | lbs. | 72 |
| 3 | For a gross weight of more than 26,000 lbs. and not more than 36,000 | |
| 4 | lbs. | 72 |
| 5 | For a gross weight of more than 36,000 lbs. and not more than 54,000 | |
| 6 | lbs. | 75 |
| 7 | For a gross weight of more than 54,000 lbs. and not more than 60,000 | |
| 8 | lbs. | 190 |
| 9 | For a gross weight of more than 60,000 lbs. and not more than 66,000 | |
| 10 | lbs. | 370 |
| 11 | For a gross weight of more than 66,000 lbs..... | 610 |
| 12 | <i>(B) On January 1, 2013, through December 31, 2013:</i> | |
| 13 | <i>For a gross weight of more than 12,000 lbs. and not more than 16,000</i> | |
| 14 | <i>lbs.</i> | \$47 |
| 15 | <i>For a gross weight of more than 16,000 lbs. and not more than 20,000</i> | |
| 16 | <i>lbs.</i> | 92 |
| 17 | <i>For a gross weight of more than 20,000 lbs. and not more than 24,000</i> | |
| 18 | <i>lbs.</i> | 102 |
| 19 | <i>For a gross weight of more than 24,000 lbs. and not more than 26,000</i> | |
| 20 | <i>lbs.</i> | 122 |
| 21 | <i>For a gross weight of more than 26,000 lbs. and not more than 36,000</i> | |
| 22 | <i>lbs.</i> | 122 |
| 23 | <i>For a gross weight of more than 36,000 lbs. and not more than 54,000</i> | |
| 24 | <i>lbs.</i> | 125 |
| 25 | <i>For a gross weight of more than 54,000 lbs. and not more than 60,000</i> | |
| 26 | <i>lbs.</i> | 240 |
| 27 | <i>For a gross weight of more than 60,000 lbs. and not more than 66,000</i> | |
| 28 | <i>lbs.</i> | 420 |
| 29 | <i>For a gross weight of more than 66,000 lbs.....</i> | 660 |
| 30 | <i>(C) On January 1, 2014:</i> | |
| 31 | <i>For a gross weight of more than 12,000 lbs. and not more than 16,000</i> | |
| 32 | <i>lbs.</i> | \$58 |
| 33 | <i>For a gross weight of more than 16,000 lbs. and not more than 20,000</i> | |
| 34 | <i>lbs.</i> | 142 |
| 35 | <i>For a gross weight of more than 20,000 lbs. and not more than 24,000</i> | |
| 36 | <i>lbs.</i> | 152 |
| 37 | <i>For a gross weight of more than 24,000 lbs. and not more than 26,000</i> | |
| 38 | <i>lbs.</i> | 172 |
| 39 | <i>For a gross weight of more than 26,000 lbs. and not more than 36,000</i> | |
| 40 | <i>lbs.</i> | 172 |
| 41 | <i>For a gross weight of more than 36,000 lbs. and not more than 54,000</i> | |
| 42 | <i>lbs.</i> | 175 |
| 43 | | |

1 For a gross weight of more than 54,000 lbs. and not more than 60,000
2 lbs. 290
3 For a gross weight of more than 60,000 lbs. and not more than 66,000
4 lbs. 470
5 For a gross weight of more than 66,000 lbs..... 710

6 A vehicle licensed as a farm truck or truck tractor may be used by the
7 owner thereof to transport, for charity and without compensation of any
8 kind, commodities for religious or educational institutions. A truck which
9 is licensed as a farm truck may also be used for the transportation of sand,
10 gravel, slag stone, limestone, crushed stone, cinders, black top, dirt or fill
11 material to a township road maintenance or construction site of the town-
12 ship in which the owner of such truck resides. Any applicant for registra-
13 tion of any farm truck or farm truck tractor used in combination with a
14 trailer or semitrailer shall register the farm truck or farm truck tractor for
15 a gross weight which shall include the empty weight of the truck or truck
16 tractor or of the combination of any truck or truck tractor and any type
17 of trailer or semitrailer, plus the maximum weight of cargo which will be
18 transported on or with the same. The applicant for registration of any
19 farm truck or farm truck tractor used to transport a gross weight of more
20 than 54,000 pounds shall durably letter on the side of the motor vehicle
21 the words "farm vehicle—not for hire." If an applicant for registration of
22 any farm truck or farm truck tractor operates such vehicle for any use or
23 purpose not authorized for a farm truck or farm truck tractor, such ap-
24 plicant shall pay an additional fee equal to the fee required for the reg-
25 istration of all trucks or truck tractors not registered as local, 6,000-mile
26 or farm truck or farm truck tractor motor vehicles, less the amount of the
27 fee paid at time of registration. Nothing in this or the preceding paragraph
28 shall authorize a gross weight of a vehicle or combination of vehicles on
29 the national system of interstate and defense highways greater than per-
30 mitted by laws of the United States congress.

31 (7) Except as hereinafter provided, the annual license fee for each
32 local urban transit bus used in local urban transit operations exempted
33 under the provisions of subsection (a) of K.S.A. 66-1,109, and amend-
34 ments thereto, shall be based on the passenger seating capacity of the bus
35 and shall be as follows:

36 (A) Prior to January 1, 2013:
37 8 or more, but less than 31 passengers \$15
38 31 or more, but less than 40 passengers 30
39 More than 39 passengers 60
40 (B) On January 1, 2013, through December 31, 2013:
41 8 or more, but less than 31 passengers..... \$25
42 31 or more, but less than 40 passengers 40
43 More than 39 passengers 70

1 (C) *On January 1, 2014:*
2 8 or more, but less than 31 passengers..... \$35
3 31 or more, but less than 40 passengers 50
4 More than 39 passengers 80

5 ~~except that~~ The annual license fee for each local urban transit bus
6 which is owned by a metropolitan transit authority established pursuant
7 to articles 25 and 28 of chapter 12 or pursuant to article 31 of chapter 13
8 of the Kansas Statutes Annotated shall be \$2.

9 (8) For licensing purposes, station wagons with a carrying capacity of
10 less than 10 passengers shall be subject to registration fees based on the
11 weight of the vehicles, as provided in subsection ~~(4)~~ (a). Station wagons
12 with a carrying capacity of 10 or more passengers shall be subject to the
13 truck classifications and license fees ~~therefor shall be as herein provided.~~

14 ~~(a)~~ (9) For any trailer, semitrailer, travel trailer or pole trailer the
15 annual license fee shall be as follows:

16 (A) For any such vehicle with a gross weight of more than 12,000
17 pounds the annual fee shall be \$35, *on January 1, 2013, \$45, on January*
18 *1, 2014, \$55;*

19 (B) any such vehicle grossing more than 8,000 pounds but not over
20 12,000 pounds, the annual fee shall be \$25, *on January 1, 2013, \$35, on*
21 *January 1, 2014, \$45;*

22 (C) for any such vehicle grossing more than 2,000 pounds but not
23 over 8,000 pounds, the annual fee shall be \$15, *on January 1, 2013, \$25,*
24 *on January 1, 2014, \$35.*

25 Any such vehicle having a gross weight of 2,000 pounds or less may, at
26 the owner's option, be registered and the fee for such registration shall
27 be ~~\$15~~ *as provided in paragraph (C).*

28 Any trailer, semitrailer or travel trailer owned by a nonresident of this
29 state and based in another state, which is properly registered and licensed
30 in the state of residence of the owner or in the state where based, may
31 be operated in this state without being registered or licensed in this state
32 if the truck or truck tractor propelling the same is properly registered and
33 licensed in this state, or is registered and licensed in some other state and
34 is entitled to reciprocal privileges of operation in this state, but this pro-
35 vision shall not apply to any trailer or semitrailer owned by a nonresident
36 of this state when such trailer or semitrailer is owned by a person who
37 has proportionately registered and licensed a fleet of vehicles under the
38 provisions of K.S.A. 8-1,101 to 8-1,123, inclusive, and amendments
39 thereto, or under the terms of any reciprocal or proration agreement
40 made pursuant thereto.

41 At the option of the owner, any trailer, semitrailer or pole trailer, with
42 a gross weight of more than 12,000 pounds, may be issued a multi-year
43 registration for a five-year period upon payment of the appropriate reg-

1 istration fee. The fee for a five-year registration of such trailer shall be
2 five times the annual fee for such trailer. If the annual registration fee is
3 increased during the multi-year registration period, the owner of the
4 trailer with such multi-year registration shall be subject to the amount of
5 the increase of the annual registration fee for the remaining calendar
6 years of such multi-year registration. When the owner of any trailer, sem-
7 itrailer or pole trailer registered under this multi-year provision transfers
8 or assigns the title, or interest thereto, the registration of such trailer shall
9 expire. The owner shall remove the license plate from such trailer and
10 forward the license plate to the division of vehicles or may have such
11 license plate assigned to another trailer, semitrailer or pole trailer upon
12 the payment of fees required by law. Any owner of a trailer, semitrailer
13 or pole trailer where the multi-year registration fee has been paid and
14 the trailer is sold, junked, repossessed, foreclosed by a mechanic's lien or
15 title transferred by operation of law, and the registration thereon is not
16 going to be transferred to another trailer, may secure a refund for the
17 registration fee for the remaining calendar years by making application
18 to the division of vehicles on a form and in the manner prescribed by the
19 director of vehicles. The secretary of revenue may adopt such rules and
20 regulations necessary to implement the multi-year registration of such
21 trailers, semitrailers and pole trailers.

22 ~~(b)~~ (c) Any truck or truck tractor having a gross weight of 4,000
23 pounds or over, using solid tires, shall pay a license fee of double the
24 amount herein charged. The annual fees herein provided for trucks, truck
25 tractors and trailers not subject to K.S.A. 8-134a, and amendments
26 thereto, shall be due January 1 of each year and payable on or before the
27 last day of February in each year. If the fee is not paid by such date a
28 penalty of \$1 shall be added to the fee charged herein for each month or
29 fraction thereof and until December 31 of each registration year. The
30 annual registration fee for all passenger vehicles and vehicles subject to
31 K.S.A. 8-134a, and amendments thereto, shall be due on or before the
32 last day of the month in which the registration plate expires and shall be
33 due for other vehicles as provided by K.S.A. 8-134, and amendments
34 thereto. If the registration fee is not paid by such date a penalty of \$1
35 shall be added to the fee charged herein for each month or fraction
36 thereof until such registration fee is paid. Members of the armed forces
37 of the United States shall be permitted to apply for registration at any
38 time and be subject to registration fee, less penalties, applicable at the
39 time the application is made. If any motorcycle, motorized bicycle, trailer,
40 semitrailer, travel trailer, or pole trailer is either purchased or acquired
41 after the anniversary or renewal date in any registration year there shall
42 immediately become due and payable a registration fee as follows: If
43 purchased or acquired between the anniversary or renewal date of any

1 registration year and the first six months of such registration year, the
2 annual fee hereinbefore provided; if purchased or acquired during the
3 last six months of any registration year, 50% of such annual fee. If any
4 truck or truck tractor, except trucks subject to K.S.A. 8-134a, and amend-
5 ments thereto, is purchased or acquired prior to April 1 of any year the
6 fee shall be the annual fee hereinbefore provided, but if such truck or
7 truck tractor is purchased or acquired after the end of March of any year,
8 the license fee for such year shall be reduced $\frac{1}{12}$ for each calendar month
9 which has elapsed since the beginning of the year. If any truck registered
10 for a gross weight of 12,000 pounds or less or passenger vehicle is pur-
11 chased or acquired and less than 12 months remain in the registration
12 period, the fee shall be $\frac{1}{12}$ of the annual fee for each calendar month
13 remaining in the registration period.

14 ~~(c)~~ (d) The owner of any motorcycle, motorized bicycle, passenger
15 vehicle, truck, truck tractor, trailer, semitrailer, or electrically propelled
16 vehicle who fails to pay the registration fee or fees herein provided on
17 the date when the same become due and payable shall be guilty of a
18 misdemeanor, and upon conviction thereof shall be subject to a penalty
19 in the sum of \$1 for each month or fraction thereof during which such
20 fee has remained unpaid after it became due and payable; and in addition
21 thereto shall be subject to such other punishment as is provided in this
22 act. Upon the transfer of motorcycles, motorized bicycles, passenger ve-
23 hicles, trailers, semitrailers, trucks or truck tractors, on which registration
24 fees have been paid for the year in which the transfer is made, either ~~(A)~~
25 (1) to a corporation by one or more persons, solely in exchange for stock
26 or securities in such corporation, or ~~(B)~~ (2) by one corporation to another
27 corporation when all of the assets of such corporation are transferred to
28 the other corporation, then in either case ~~(A)~~ (1) or case ~~(B)~~ (2) the
29 corporation shall be exempt from the payment of registration fees on such
30 vehicles for the year in which such transfer is made. Applications for
31 transfer or registration shall be accompanied by a fee of \$1.50. When the
32 registration of a vehicle has expired at midnight on the last day of any
33 registration year, and such vehicle is not thereafter operated upon the
34 highways, any application for renewal of registration made subsequent to
35 the anniversary or renewal date of any registration year following the
36 expiration of such registration and for succeeding registration years in
37 which such vehicle has not been registered shall be accompanied by an
38 affidavit of nonoperation and nonuse, and such application for renewal
39 or registration shall be received by the division of vehicles upon payment
40 of the proper fees for the current registration year and without penalty.

41 ~~(d)~~ (e) Any nonresident of Kansas purchasing a vehicle from a Kansas
42 resident and desiring to secure registration on the vehicle in the state of
43 such person's residence may make application in the office of any county

1 treasurer for a thirty-day temporary registration. The county treasurer
2 upon presentation of evidence of ownership in the applicant and evidence
3 the sales tax has been paid, if due, shall charge and collect a fee of ~~\$\$~~ \$10
4 for each thirty-day temporary license and issue a sticker or paper regis-
5 tration as may be determined by the director of vehicles, and the regis-
6 tration so issued shall be valid for a period of 30 days from the date of
7 issuance.

8 ~~(4)~~ (f) Any owner of any motor vehicle which is subject to taxation
9 under the provisions of article 51 of chapter 79 of the Kansas Statutes
10 Annotated or any other truck or truck tractor where the annual registra-
11 tion fee has been paid and the vehicle is sold, junked, repossessed, fore-
12 closed by a mechanic's lien or title transferred by operation of law, and
13 the registration thereon is not going to be transferred to another vehicle
14 may secure a refund for the registration fee for the remaining portion of
15 the year by making application to the division of vehicles on a form and
16 in the manner prescribed by the director of vehicles, accompanied by all
17 license plates and attachments issued in connection therewith. If the
18 owner of the registration becomes deceased and the vehicle is not going
19 to be used on the highway, and title is not being currently transferred,
20 the proper representative of the estate shall be entitled to the refund.
21 The refund shall be made only for the period of time remaining in the
22 registration year from the date of completion and filing of the application
23 with and delivery of the license plate and attachments to the division of
24 vehicles. Where the registration is secured under a quarterly payment
25 annual registration fee, as provided for in K.S.A. 8-143a, and amendments
26 thereto, such refund shall be made on the quarterly fee paid and unused
27 and all remaining quarterly payments shall be canceled. Any truck or truck
28 tractor having the registration fee paid on quarterly payment basis, all
29 quarterly payments due or a fraction of quarterly payment due shall be
30 paid before title may be transferred, except that in case of death, the
31 filing of the application and returning of the license plate and attachment
32 shall cancel the remaining annual payments due. Whenever a truck or
33 truck tractor, where the registration is secured on a quarterly payment of
34 the annual registration, the one repossessing the truck or truck tractor,
35 or foreclosing by a mechanic's lien, or securing title by court order, the
36 mortgagor or the assigns of the mortgagor, or the one securing title may
37 pay the balance due on date of application for title, but the payments for
38 the remaining portion of the year shall not be canceled unless application
39 is made and the license plate and attachments are surrendered. Nothing
40 in this subsection shall apply when registration is secured under the pro-
41 visions of K.S.A. 8-1,101 to 8-1,123, inclusive, and amendments thereto.
42 Notwithstanding any of the foregoing provisions of this section, no refund
43 shall be made under the provisions of this section where the amount

1 thereof does not exceed \$5. The division of vehicles shall furnish such
2 blank forms as may be required under the provisions of this subsection
3 as it deems necessary to be completed by the applicant. Whenever a
4 registration which has been secured on a quarterly basis shall be canceled
5 as provided in this subsection, the division of vehicles shall notify the
6 county treasurer issuing the original registration of such cancellation so
7 that the county treasurer may, and the county treasurer shall cancel the
8 registration of such vehicle in the county treasurer's office and release
9 any lien issued in connection with such registration.

10 ~~(5)~~ (g) Every owner of a travel trailer designed for or intended to be
11 moved upon any highway in this state shall, before the same is so moved,
12 apply for and obtain the proper registration thereof as provided in this
13 act, except when such unit is permitted to be moved under the special
14 provisions relating to secured parties, manufacturers, dealers and non-
15 residents contained in this act. At the time of registering any travel trailer
16 for the purpose of moving any such vehicle upon any highway in this
17 state, the owner thereof shall indicate on the registration form whether
18 or not such vehicle is being moved permanently to a location outside of
19 the county in which such vehicle is being registered. No such vehicle
20 which the owner thereof intends to move to a permanent location outside
21 the boundaries of such county shall be registered for movement on the
22 highways of this state until all taxes levied against such vehicle have been
23 paid. A copy of such registration form shall be sent to the county clerk
24 or assessor of the county to which such vehicle is being moved. When
25 such travel trailer is used for living quarters and not operated on the
26 highways, the owner shall be exempt from the license fees as provided in
27 ~~paragraph (a) of subsection (2)~~ subsection (b)(9) so long as such travel
28 trailer is not operated on the highway.

29 Sec. 4. K.S.A. 8-143b is hereby amended to read as follows: 8-143b.
30 (a) Except as provided in K.S.A. 8-143k, and amendments thereto, and
31 subsection (b), the owner of any truck or truck tractor which is duly
32 registered and licensed in some other state, desiring to operate in intra-
33 state commerce in this state for a temporary period only, in lieu of pay-
34 ment of the annual license fee, may register such truck or truck tractor
35 and obtain either: (1) A ~~seventy-two-hour~~ 72-hour temporary registration;
36 or (2) a thirty-day license authorizing operation on the highways of this
37 state for a period not to exceed 30 days from the date of issuance of such
38 license. The fee for: The ~~seventy-two-hour~~ 72-hour temporary registra-
39 tion shall be \$26, *on January 1, 2013*, \$36, *on January 1, 2014*, \$46 and
40 the fee for the thirty-day license shall be \$26, *on January 1, 2013*, \$36,
41 *on January 1, 2014*, \$46 or 1/8 of the annual license fee for such vehicle,
42 whichever sum is the larger. Where either fee is paid on a truck or truck
43 tractor no registration or fee shall be required for a trailer or semitrailer

1 duly registered in this or another state and propelled by such truck or
2 truck tractor. Application for such temporary registration or license shall
3 be made to the division in the manner and form prescribed by the director
4 and shall be accompanied by the required fee, which shall be deposited
5 by the director as provided by K.S.A. 8-146, and amendments thereto.

6 (b) Whenever any natural catastrophe or disaster, civil riot or disorder
7 or any other condition exists in this state that requires or necessitates
8 emergency assistance or aid from persons owning ambulances, rescue
9 vehicles or utility vehicles which are subject to the provisions of this sec-
10 tion, such persons shall be exempt from the payment of the fee required
11 in subsection (a) for any such ambulance, rescue vehicle or utility vehicle
12 that is operated in this state for the purpose of or in connection with
13 rendering such emergency assistance or aid.

14 Sec. 5. K.S.A. 8-143c is hereby amended to read as follows: 8-143c.
15 The owner of any truck or truck tractor, which is registered and licensed
16 in some other state, not entitled to reciprocal privileges while being op-
17 erated in interstate commerce on the highways of this state, and which
18 truck or truck tractor has a gross weight, as defined in subsection ~~(2)~~ (b)
19 of K.S.A. 8-143, and amendments thereto, in excess of 12,000 pounds, in
20 lieu of payment of the annual license fee for such vehicle pursuant to the
21 provisions of K.S.A. 8-143, and amendments thereto, or K.S.A. 8-1,101
22 to 8-1,123, inclusive, and amendments thereto, may register such vehicle
23 and obtain temporary registration from the division of vehicles authoriz-
24 ing operation of such vehicle on the highways of this state in interstate
25 commerce for a period of not to exceed 72 hours. The fee for such tem-
26 porary registration is \$26, *on January 1, 2013, \$36, on January 1, 2014,*
27 *\$46*, which shall be deposited by the division as provided by K.S.A. 8-
28 146, and amendments thereto. Where such fee is paid on a truck or truck
29 tractor no registration or fee shall be required for a trailer or semitrailer
30 duly registered in this or another state and propelled by such truck or
31 truck tractor. The secretary of revenue shall adopt rules and regulations
32 to effectuate the purpose of this section. A temporary registration as pro-
33 vided in this section is not required for a truck or truck tractor which is
34 registered and licensed in some other state and which operates between
35 cities and villages in this state and cities and villages in another state which
36 are within territory designated as a commercial zone by the interstate
37 commerce commission.

38 Sec. 6. K.S.A. 8-143g is hereby amended to read as follows: 8-143g.
39 A motor vehicle dealer licensed in this state or in a state contiguous to
40 this state, who is the owner of a truck or truck tractor which the owner
41 desires to demonstrate under actual working conditions by having it op-
42 erated by the prospective purchaser in interstate or intrastate commerce
43 on the highways of this state, in lieu of obtaining a regular registration

1 for such vehicle, may obtain from the division, or an agent designated by
2 director of vehicles, a trip permit authorizing such demonstration and
3 operation for a period of: (a) Seventy-two hours upon making proper
4 application and the payment of a fee of \$26, *on January 1, 2013, \$36, on*
5 *January 1, 2014, \$46*; or (b) fifteen days upon making proper application
6 and the payment of a fee of \$100, *on January 1, 2013, \$110, on January*
7 *1, 2014, \$120*. A dealer may purchase such demonstration permits in
8 multiples of three upon making proper application and the payment of
9 required fees. The application shall be to the division on a form pre-
10 scribed and furnished by the director of vehicles. The name of the pro-
11 spective purchaser must be shown on the application. A dealer purchasing
12 permits in multiples, shall complete the application and permit as re-
13 quired by the division and mail a copy of such application to the division
14 within 24 hours from the date of issuance of such permit. Only one such
15 permit may be used by the same prospective purchaser on the same truck
16 or truck tractor. Whenever a truck or truck tractor is operated under the
17 authority of a trip permit issued hereunder it also shall have displayed
18 thereon a dealer's registration plate which has been issued by this state
19 or a state contiguous to this state to the dealer who is the owner of such
20 truck or truck tractor. The provision of K.S.A. 8-136, and amendments
21 thereto, prohibiting the hauling of commodities in excess of two tons by
22 a vehicle displaying a dealer plate shall not apply to a truck or truck tractor
23 being operated under a trip permit as authorized by this section. This
24 section shall be construed as a part of and supplementary to the motor
25 vehicle registration law of this state. The division shall remit all fees col-
26 lected under this section to the state treasurer in accordance with the
27 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of
28 each such remittance, the state treasurer shall deposit the entire amount
29 in the state treasury to the credit of the state highway fund.

30 Sec. 7. K.S.A. 8-143h is hereby amended to read as follows: 8-143h.
31 Except as provided in K.S.A. 8-143k, the owner of any duly registered
32 and licensed farm truck in this state, engaged in the hauling of grain as
33 provided by subsection (h) of K.S.A. 66-1,109, and amendments thereto,
34 or chopped forage, and desiring to operate in intrastate commerce in this
35 state for a temporary period only, in lieu of payment of the annual license
36 fee, may register such farm truck and obtain a thirty-day license author-
37 izing operation on the highways of this state for a period of only 30 days
38 from the date of issuance of such license. The fee for such license shall
39 be \$26, *on January 1, 2013, \$36, on January 1, 2014, \$46*. Where such
40 fee is paid on a farm truck no registration or fee shall be required for a
41 trailer duly registered in this or another state and propelled by such farm
42 truck. Application for such license shall be made to the division of vehicles
43 on such form as the director of vehicles shall prescribe and shall be ac-

1 compared by the required fee, which shall be deposited by the division
 2 as provided by K.S.A. 8-146, and amendments thereto. The director of
 3 vehicles may designate agents to issue the licenses authorized by this act
 4 so that such licenses will be obtainable at convenient locations. This sec-
 5 tion shall be construed as supplemental to and a part of the motor vehicle
 6 registration laws of this state.

7 Sec. 8. K.S.A. 8-143i is hereby amended to read as follows: 8-143i.
 8 The owner of any truck or truck tractor which is properly registered and
 9 licensed in this state as a local truck or truck tractor as provided in K.S.A.
 10 8-143, and amendments thereto, may secure a temporary permit author-
 11 izing operation of such vehicle on the highways of this state beyond the
 12 local radius authorized by such annual registration for a period only of 72
 13 hours from the time of issuance of such permit. The fee for such permit
 14 shall be \$26, *on January 1, 2013*, \$36, *on January 1, 2014*, \$46. Appli-
 15 cation for such permit shall be made to the division of vehicles on such
 16 form as the director of vehicles shall prescribe and shall be accompanied
 17 by the required fee, except that such owner shall not be entitled to more
 18 than 10 such permits in any calendar year. All such fees shall be deposited
 19 by the division as provided by K.S.A. 8-146, and amendments thereto.
 20 The division shall issue appropriate identification for such vehicle to au-
 21 thorize its operation under provisions of this act and to specify the expi-
 22 ration time of such permit. No truck or truck tractor shall be authorized
 23 to leave the territory of this state under any such 72-hour permit, nor
 24 shall any permit issued under authority of this act entitle any truck or
 25 truck tractor or the owner to reciprocity in any other state. Nothing in
 26 this act shall be construed to authorize the movement of any truck or
 27 truck tractor on the highways of this state in violation of any size, weight,
 28 safety or insurance requirement of the laws of this state applicable to such
 29 truck or truck tractor. Nothing in this act shall be construed to authorize
 30 the operation of any motor vehicle in violation of K.S.A. 66-1,111, and
 31 amendments thereto.

32 Sec. 9. K.S.A. 2009 Supp. 8-143j is hereby amended to read as fol-
 33 lows: 8-143j. (a) On and after January 1, 1991, any truck or truck tractor
 34 registered for a gross weight of more than 12,000 pounds which is en-
 35 gaged in farm custom harvesting operations may be registered in accord-
 36 ance with the schedule for such farm custom harvesting vehicles, but shall
 37 not be registered as a farm truck or farm truck tractor. The annual license
 38 fee for a farm custom harvesting truck or truck tractor shall be as follows:

39 (1) *Prior to January 1, 2013:*

| | |
|--|------|
| 40 For a gross weight of more than 12,000 lbs. and not more than 16,000 | |
| 41 lbs. | \$62 |
| 42 For a gross weight of more than 16,000 lbs. and not more than 20,000 | |
| 43 lbs. | 102 |

| | | |
|----|--|-------|
| 1 | For a gross weight of more than 20,000 lbs. and not more than 24,000 | |
| 2 | lbs. | 132 |
| 3 | For a gross weight of more than 24,000 lbs. and not more than 26,000 | |
| 4 | lbs. | 177 |
| 5 | For a gross weight of more than 26,000 lbs. and not more than 30,000 | |
| 6 | lbs. | 177 |
| 7 | For a gross weight of more than 30,000 lbs. and not more than 36,000 | |
| 8 | lbs. | 215 |
| 9 | For a gross weight of more than 36,000 lbs. and not more than 42,000 | |
| 10 | lbs. | 245 |
| 11 | For a gross weight of more than 42,000 lbs. and not more than 48,000 | |
| 12 | lbs. | 315 |
| 13 | For a gross weight of more than 48,000 lbs. and not more than 54,000 | |
| 14 | lbs. | 415 |
| 15 | For a gross weight of more than 54,000 lbs. and not more than 60,000 | |
| 16 | lbs. | 480 |
| 17 | For a gross weight of more than 60,000 lbs. and not more than 66,000 | |
| 18 | lbs. | 580 |
| 19 | For a gross weight of more than 66,000 lbs. and not more than 74,000 | |
| 20 | lbs. | 760 |
| 21 | For a gross weight of more than 74,000 lbs. and not more than 80,000 | |
| 22 | lbs. | 890 |
| 23 | For a gross weight of more than 80,000 lbs. and not more than 85,500 | |
| 24 | lbs. | 1,010 |
| 25 | <i>(2) On January 1, 2013, through December 31, 2013:</i> | |
| 26 | For a gross weight of more than 12,000 lbs. and not more than 16,000 | |
| 27 | lbs. | \$72 |
| 28 | For a gross weight of more than 16,000 lbs. and not more than 20,000 | |
| 29 | lbs. | 152 |
| 30 | For a gross weight of more than 20,000 lbs. and not more than 24,000 | |
| 31 | lbs. | 182 |
| 32 | For a gross weight of more than 24,000 lbs. and not more than 26,000 | |
| 33 | lbs. | 227 |
| 34 | For a gross weight of more than 26,000 lbs. and not more than 30,000 | |
| 35 | lbs. | 227 |
| 36 | For a gross weight of more than 30,000 lbs. and not more than 36,000 | |
| 37 | lbs. | 265 |
| 38 | For a gross weight of more than 36,000 lbs. and not more than 42,000 | |
| 39 | lbs. | 295 |
| 40 | For a gross weight of more than 42,000 lbs. and not more than 48,000 | |
| 41 | lbs. | 365 |
| 42 | For a gross weight of more than 48,000 lbs. and not more than 54,000 | |
| 43 | lbs. | 465 |

| | | |
|----|---|-------|
| 1 | <i>For a gross weight of more than 54,000 lbs. and not more than 60,000</i> | |
| 2 | <i>lbs.</i> | 530 |
| 3 | <i>For a gross weight of more than 60,000 lbs. and not more than 66,000</i> | |
| 4 | <i>lbs.</i> | 630 |
| 5 | <i>For a gross weight of more than 66,000 lbs. and not more than 74,000</i> | |
| 6 | <i>lbs.</i> | 810 |
| 7 | <i>For a gross weight of more than 74,000 lbs. and not more than 80,000</i> | |
| 8 | <i>lbs.</i> | 840 |
| 9 | <i>For a gross weight of more than 80,000 lbs. and not more than 85,500</i> | |
| 10 | <i>lbs.</i> | 1,060 |
| 11 | (3) <i>On January 1, 2014:</i> | |
| 12 | <i>For a gross weight of more than 12,000 lbs. and not more than 16,000</i> | |
| 13 | <i>lbs.</i> | \$82 |
| 14 | <i>For a gross weight of more than 16,000 lbs. and not more than 20,000</i> | |
| 15 | <i>lbs.</i> | 202 |
| 16 | <i>For a gross weight of more than 20,000 lbs. and not more than 24,000</i> | |
| 17 | <i>lbs.</i> | 232 |
| 18 | <i>For a gross weight of more than 24,000 lbs. and not more than 26,000</i> | |
| 19 | <i>lbs.</i> | 277 |
| 20 | <i>For a gross weight of more than 26,000 lbs. and not more than 30,000</i> | |
| 21 | <i>lbs.</i> | 277 |
| 22 | <i>For a gross weight of more than 30,000 lbs. and not more than 36,000</i> | |
| 23 | <i>lbs.</i> | 315 |
| 24 | <i>For a gross weight of more than 36,000 lbs. and not more than 42,000</i> | |
| 25 | <i>lbs.</i> | 345 |
| 26 | <i>For a gross weight of more than 42,000 lbs. and not more than 48,000</i> | |
| 27 | <i>lbs.</i> | 415 |
| 28 | <i>For a gross weight of more than 48,000 lbs. and not more than 54,000</i> | |
| 29 | <i>lbs.</i> | 515 |
| 30 | <i>For a gross weight of more than 54,000 lbs. and not more than 60,000</i> | |
| 31 | <i>lbs.</i> | 580 |
| 32 | <i>For a gross weight of more than 60,000 lbs. and not more than 66,000</i> | |
| 33 | <i>lbs.</i> | 680 |
| 34 | <i>For a gross weight of more than 66,000 lbs. and not more than 74,000</i> | |
| 35 | <i>lbs.</i> | 860 |
| 36 | <i>For a gross weight of more than 74,000 lbs. and not more than 80,000</i> | |
| 37 | <i>lbs.</i> | 990 |
| 38 | <i>For a gross weight of more than 80,000 lbs. and not more than 85,500</i> | |
| 39 | <i>lbs.</i> | 1,110 |
| 40 | (b) A tab or marker shall be issued and displayed in connection with | |
| 41 | the regular license plate for a truck or truck tractor registered as a farm | |
| 42 | custom harvesting truck or truck tractor. | |
| 43 | (c) Trucks or truck tractors registered under this section shall be el- | |

1 ible for apportioned registration under the provisions of K.S.A. 8-1,100
2 et seq., and amendments thereto.

3 (d) As used in this section, “farm custom harvesting operations”
4 means a person, firm, partnership, association or corporation engaged in
5 farm custom harvesting operations if a truck or truck tractor is used to:

6 (1) Transport farm machinery, supplies, or both, to or from a farm,
7 for custom harvesting operations on a farm;

8 (2) transport custom harvested crops only from a harvested field to
9 initial storage or to initial market locations; or

10 (3) transport agricultural products produced by such owner or com-
11 modities purchased by such owner for use on the farm owned or rented
12 by the owner of such vehicle.

13 Sec. 10. K.S.A. 8-143k is hereby amended to read as follows: 8-143k.

14 (a) The owner of any truck or truck tractor which is duly registered and
15 licensed in some other state and is engaged in farm custom harvesting
16 operations and desiring to operate in intrastate commerce in this state
17 for a temporary period only, may obtain a harvest permit, in lieu of the
18 thirty-day license in K.S.A. 8-143b or 8-143h, and amendments thereto,
19 authorizing the operation of such truck or truck tractor on the highways
20 of this state for a period of not to exceed 60 days from the date of issuance
21 of such permit. For a foreign-based truck or truck tractor, the fee for
22 each permit shall be \$26, *on January 1, 2013, \$36, on January 1, 2014,*
23 *\$46* or $\frac{1}{6}$ of the annual license fee for such vehicle, whichever sum is the
24 larger. Where such fee is paid on a truck or truck tractor, no registration
25 or fee shall be required for a trailer or semitrailer duly registered in this
26 or another state and propelled by such truck or truck tractor. Application
27 for such harvest permit shall be made to the division of vehicles of the
28 department of revenue. The secretary of revenue may adopt rules and
29 regulations to implement the provisions of this section.

30 (b) For the purpose of this section, “farm custom harvesting opera-
31 tions” means a person, firm, partnership, association or corporation en-
32 gaged in farm custom harvesting operations if the truck or truck tractor
33 is used to:

34 (1) Transport farm machinery, supplies, or both, to or from a farm,
35 for custom harvesting operations on a farm;

36 (2) transport custom harvested crops only from a harvested field to
37 initial storage or to initial market locations; or

38 (3) transport agricultural products produced by such owner or com-
39 modities purchased by such owner for use on the farm owned or rented
40 by the owner of such vehicle.

41 Sec. 11. K.S.A. 2009 Supp. 8-143l is hereby amended to read as fol-
42 lows: 8-143l. (a) Any auctioneer conducting auctions under subparagraphs
43 (D) or (E) of paragraph (2) of subsection (a) of K.S.A. 8-2401, and amend-

1 ments thereto, may obtain from the division, or an agent designated by
2 the director of vehicles, a 72-hour transport permit authorizing the pur-
3 chaser of a vehicle at an auction conducted by such auctioneer, to operate
4 such vehicle for a period of 72 hours. In addition to the 72-hour transport
5 permit, the purchaser shall have the bill of sale. The fee for each 72-hour
6 transport permit shall be ~~\$3~~ \$10.

7 (b) An auctioneer under subsection (a) who is a Kansas resident,
8 whose primary place of business is in Kansas and only for the purpose of
9 conducting auctions in Kansas, may purchase such 72-hour transport per-
10 mits in multiples of three upon making proper application and the pay-
11 ment of required fees. The application shall be to the division on a form
12 prescribed and furnished by the director of vehicles. The name of the
13 purchaser of the vehicle at the auction shall be shown on the 72-hour
14 permit issued. An auctioneer purchasing permits shall complete the ap-
15 plication and permit as required by the division and mail a copy of such
16 application to the division within 24 hours from the date of issuance of
17 such permit. Only one such permit may be used by the same purchaser
18 on the same vehicle. The division of vehicles may deny any auctioneer
19 the authority to purchase 72-hour transport permits if the auctioneer is
20 found to have issued more than one 72-hour transport permit to the
21 purchaser of a vehicle. This section shall be construed as a part of and
22 supplementary to the motor vehicle registration law of this state. The
23 division shall remit all fees collected under this section to the state trea-
24 surer in accordance with the provisions of K.S.A. 75-4215, and amend-
25 ments thereto. Upon receipt of each such remittance, the state treasurer
26 shall deposit the entire amount in the state treasury to the credit of the
27 state highway fund.

28 Sec. 12. K.S.A. 2009 Supp. 8-145 is hereby amended to read as fol-
29 lows: 8-145. (a) All registration and certificates of title fees shall be paid
30 to the county treasurer of the county in which the applicant for registra-
31 tion resides or has an office or principal place of business within this state,
32 and the county treasurer shall issue a receipt in triplicate, on blanks fur-
33 nished by the division of vehicles, one copy of which shall be filed in the
34 county treasurer's office, one copy shall be delivered to the applicant and
35 the original copy shall be forwarded to the director of vehicles.

36 (b) The county treasurer shall deposit \$.75 of each license applica-
37 tion, \$.75 out of each application for transfer of license plate and \$2 out
38 of each application for a certificate of title, collected by such treasurer
39 under this act, in a special fund, which fund is hereby appropriated for
40 the use of the county treasurer in paying for necessary help and expenses
41 incidental to the administration of duties in accordance with the provi-
42 sions of this law and extra compensation to the county treasurer for the
43 services performed in administering the provisions of this act, which com-

1 pensation shall be in addition to any other compensation provided by any
2 other law, except that the county treasurer shall receive as additional
3 compensation for administering the motor vehicle title and registration
4 laws and fees, a sum computed as follows: The county treasurer, during
5 the month of December, shall determine the amount to be retained for
6 extra compensation not to exceed the following amounts each year for
7 calendar year 2006 or any calendar year thereafter: The sum of \$110 per
8 hundred registrations for the first 5,000 registrations; the sum of \$90 per
9 hundred registrations for the second 5,000 registrations; the sum of \$5
10 per hundred for the third 5,000 registrations; and the sum of \$2 per
11 hundred registrations for all registrations thereafter. In no event, how-
12 ever, shall any county treasurer be entitled to receive more than \$15,000
13 additional annual compensation.

14 If more than one person shall hold the office of county treasurer during
15 any one calendar year, such compensation shall be prorated among such
16 persons in proportion to the number of weeks served. The total amount
17 of compensation paid the treasurer together with the amounts expended
18 in paying for other necessary help and expenses incidental to the admin-
19 istration of the duties of the county treasurer in accordance with the
20 provisions of this act, shall not exceed the amount deposited in such spe-
21 cial fund. Any balance remaining in such fund at the close of any calendar
22 year shall be withdrawn and credited to the general fund of the county
23 prior to June 1 of the following calendar year.

24 (c) The county treasurer shall remit the remainder of all such fees
25 collected, together with the original copy of all applications, to the sec-
26 retary of revenue. The secretary of revenue shall remit all such fees re-
27 mitted to the state treasurer in accordance with the provisions of K.S.A.
28 75-4215, and amendments thereto. Upon receipt of each such remittance,
29 the state treasurer shall deposit the entire amount in the state treasury
30 to the credit of the state highway fund, except as provided in subsection
31 (d).

32 (d) (1) Three dollars and fifty cents of each certificate of title fee
33 collected and remitted to the secretary of revenue, shall be remitted to
34 the state treasurer who shall credit such \$3.50 to the Kansas highway
35 patrol motor vehicle fund. Three dollars of each certificate of title fee
36 collected and remitted to the secretary of revenue, shall be remitted to
37 the state treasurer who shall credit such \$3 to the VIPS/CAMA technology
38 hardware fund.

39 (2) For repossessed vehicles, \$3 of each certificate of title fee col-
40 lected and remitted to the secretary of revenue, shall be remitted to the
41 state treasurer who shall credit such \$3 to the repossessed certificates of
42 title fee fund.

43 (3) Three dollars and fifty cents of each reassignment form fee col-

1 lected and remitted to the secretary of revenue, shall be remitted to the
2 state treasurer who shall credit such \$3.50 to the Kansas highway patrol
3 motor vehicle fund. Three dollars of each reassignment form fee collected
4 and remitted to the secretary of revenue, shall be remitted to the state
5 treasurer who shall credit such \$3 to the VIPS/CAMA technology hard-
6 ware fund.

7 (4) ~~Four dollars~~ *Until January 1, 2013, \$4* of each division of vehicles
8 modernization surcharge collected and remitted to the secretary of rev-
9 enue, shall be remitted to the state treasurer who shall credit such \$4 to
10 the division of vehicles modernization fund, *on and after January 1, 2013,*
11 *the state treasurer shall credit such \$4 to the state highway fund.*

12 Sec. 13. K.S.A. 2009 Supp. 8-172 is hereby amended to read as fol-
13 lows: 8-172. (a) Except as provided in subsection (c), license plates issued
14 for antique vehicles shall be distinctive and shall contain the words “Kan-
15 sas” and “antique” and there shall be no year date thereon. The num-
16 bering system shall consist of combinations of not more than seven letters
17 of the alphabet or numerals or a combination of such letters and numer-
18 als. The combinations of such letters and numerals shall be at the direc-
19 tion of the director of vehicles, except that any person owning an antique
20 vehicle, other than an antique motorcycle, may make application for a
21 special combination of letters and numerals not exceeding seven. Antique
22 motorcycle license plates shall be the same as other antique vehicle li-
23 cense plates, except the numbering system shall consist of not more than
24 five letters of the alphabet or numerals or a combination of letters and
25 numerals. Such application shall be made in a manner prescribed by the
26 director of vehicles and shall be accompanied by a special combination
27 fee of \$40. Unless the combination of letters or numerals designated by
28 the applicant have been assigned to another antique vehicle registered in
29 this state, or unless the combination of letters or numerals designated by
30 the applicant have a profane, vulgar, lewd or indecent meaning or con-
31 notation, as determined by the director, the division shall assign such
32 combination of letters to the applicant’s vehicle.

33 (b) In addition to the fees required under subsection (b) of K.S.A. 8-
34 167, and amendments thereto, and subsection (a) or (c) of this section,
35 the registration fee for any antique vehicle shall be \$40, *on January 1,*
36 *2013, \$50, on January 1, 2014, \$60* and once paid shall not be required
37 to be renewed.

38 (c) In lieu of the license plate issued under subsection (a), a person
39 who owns an antique vehicle who wants to display a model year license
40 plate on the vehicle shall make application in a manner prescribed by the
41 director of vehicles, including the execution of an affidavit setting forth
42 that the model year license plate the person wants to display on the per-
43 son’s antique vehicle is a legible and serviceable license plate that origi-

1 nally was issued by this state or a license plate originally issued by a Kansas
2 city or a reproduction of such city issued license plate. Except for license
3 plates issued prior to 1921, such license plate shall be inscribed with the
4 date of the year corresponding to the model year when the vehicle was
5 manufactured. For license plates issued prior to 1921, such license plate
6 shall be the license plate issued by the state or a Kansas city or a repro-
7 duction of such city issued license plate corresponding to the model year
8 when the vehicle was manufactured. Duplicate numbers for any year shall
9 not be allowed for any model year license plate under the provisions of
10 this subsection. Upon application to display a reproduction of a city issued
11 license plate, the division of vehicles shall issue a number to be used for
12 such reproduction license plate. The model year license plate fee shall
13 be \$40.

14 (d) In addition to the license plates authorized under subsection (a)
15 or (c), a person who owns an antique vehicle may display a model year
16 license plate originally issued by the state of Kansas or a Kansas city or a
17 reproduction of such city issued license plate on the front of an antique
18 vehicle. Except for license plates issued prior to 1921, such license plate
19 shall be inscribed with the date of the year corresponding to the model
20 year when the vehicle was manufactured. For license plates issued prior
21 to 1921, such license plate shall be the license plate issued by the state
22 or a Kansas city or a reproduction of such city issued license plate cor-
23 responding to the model year when the vehicle was manufactured.

24 Sec. 14. K.S.A. 8-195 is hereby amended to read as follows: 8-195.

25 (a) Any person who is the owner of a special interest vehicle or street rod
26 vehicle at the time of making application for registration or transfer of
27 title of the vehicle may upon application register the same as a special
28 interest vehicle or street rod vehicle upon payment of an annual fee of
29 \$26, *on January 1, 2013, \$36, on January 1, 2014, \$46* and be furnished
30 each year upon the payment of such fee license plates of a distinctive
31 design in lieu of the usual license plates which shall show in addition to
32 the identification number, that the vehicle is a special interest vehicle or
33 that the vehicle is a special interest vehicle and it meets the qualifications
34 of a street rod, as the case may be, owned by a Kansas collector. The
35 registration shall be valid for one year and may be renewed by payment
36 of such annual fee. Special interest vehicles including street rod vehicles
37 may be used as are other vehicles of the same type, except that special
38 interest vehicles including street rod vehicles may not transport passen-
39 gers for hire, nor haul material weighing more than 500 pounds.

40 (b) Each collector applying for special interest vehicle or street rod
41 vehicle license plates will be issued a collector's identification number
42 which will appear on each license plate. Second and all subsequent reg-
43 istrations under this section by the same collector will bear the same

1 collector's identification number followed by a suffix letter for vehicle
2 identification.

3 (c) A collector must own and have registered one or more vehicles
4 with regular license plates which are used for regular transportation.

5 Sec. 15. K.S.A. 8-234b is hereby amended to read as follows: 8-234b.

6 (a) Every original driver's license issued by the division shall indicate the
7 class or classes of motor vehicles which the licensee is entitled to drive.

8 For this purpose the following classes are established:

9 (1) Commercial class A motor vehicles include any combination of
10 vehicles with a gross combination weight rating of 26,001 pounds or more,
11 providing the gross vehicle weight rating of the vehicle or vehicles being
12 towed is in excess of 10,000 pounds;

13 (2) commercial class B motor vehicles include any single vehicle with
14 a gross vehicle weight rating of 26,001 pounds or more, or any such ve-
15 hicle towing a vehicle not in excess of 10,000 pounds gross vehicle weight
16 rating;

17 (3) commercial class C motor vehicles include any single vehicle less
18 than 26,001 pounds gross vehicle weight rating, or any such vehicle towing
19 a vehicle not in excess of 10,000 pounds, or any vehicle less than 26,001
20 pounds gross vehicle weight rating towing a vehicle in excess of 10,000
21 pounds gross vehicle weight rating, provided the gross combination
22 weight rating of the combination is less than 26,001 pounds comprising:

23 (A) Vehicles designed to transport 16 or more passengers, including
24 the driver; or

25 (B) vehicles used in the transportation of hazardous materials which
26 requires the vehicle to be placarded;

27 (4) class A motor vehicles include any combination of vehicles with a
28 gross combination weight rating of 26,001 pounds or more, provided the
29 gross combination weight rating of the vehicle or vehicles being towed is
30 in excess of 10,000 pounds, and all other lawful combinations of vehicles
31 with a gross combination weight rating of 26,001 pounds, or more; except
32 that, class A does not include a combination of vehicles that has a truck
33 registered as a farm truck under ~~subsection (2) of~~ K.S.A. 8-143, and
34 amendments thereto;

35 (5) class B motor vehicles include any single vehicle with a gross ve-
36 hicle weight rating of 26,001 pounds or more, or any such vehicle towing
37 a vehicle not in excess of 10,000 pounds gross vehicle weight rating. Class
38 B motor vehicles do not include a single vehicle registered as a farm truck
39 under ~~subsection (2) of~~ K.S.A. 8-143, and amendments thereto, when
40 such farm truck has a gross vehicle weight rating of 26,001 pounds, or
41 more; or any fire truck operated by a volunteer fire department;

42 (6) class C motor vehicles include any single vehicle with a gross
43 vehicle weight rating less than 26,001 pounds, or any such vehicle towing

1 a vehicle not in excess of 10,000 pounds gross vehicle weight rating, or
2 any vehicle with a less than 26,001 gross vehicle weight rating towing a
3 vehicle in excess of 10,000 pounds gross vehicle weight rating, provided
4 the gross combination weight rating of the combination is less than 26,001
5 pounds, or any single vehicle registered as a farm truck under ~~subsection~~
6 ~~(2)~~ of K.S.A. 8-143, and amendments thereto, when such farm truck has
7 a gross vehicle weight rating of 26,001 pounds, or more, or any fire truck
8 operated by a volunteer fire department; and

9 (7) class M motor vehicles includes motorcycles.

10 As used in this subsection, “gross vehicle weight rating” means the
11 value specified by the manufacturer as the maximum loaded weight of a
12 single or a combination (articulated) vehicle. The gross vehicle weight
13 rating of a combination (articulated) vehicle, commonly referred to as the
14 gross combination weight rating, is the gross vehicle weight rating of the
15 power unit plus the gross vehicle weight rating of the towed unit or units.

16 (b) Every applicant for an original driver’s license shall indicate on
17 such person’s application the class or classes of motor vehicles for which
18 the applicant desires a license to drive, and the division shall not issue a
19 driver’s license to any person unless such person has demonstrated sat-
20 isfactorily ability to exercise ordinary and reasonable control in the op-
21 eration of motor vehicles in the class or classes for which the applicant
22 desires a license to drive. The division shall administer an appropriate
23 examination of each applicant’s ability to drive such motor vehicles. Ex-
24 cept as provided in K.S.A. 8-2,125 through 8-2,142, and amendments
25 thereto, the director of vehicles may accept a copy of the certificate of a
26 person’s road test issued to an individual under the regulatory require-
27 ments of the United States department of transportation, in lieu of re-
28 quiring the person to demonstrate ability to operate any motor vehicle or
29 combination of vehicles, if such certificate was issued not more than three
30 years prior to the person’s application for a driver’s license.

31 (c) Any person who is the holder of a valid driver’s license which
32 entitles the person to drive class A motor vehicles may also drive class B
33 and C motor vehicles. Any person who is the holder of a valid driver’s
34 license which entitles the person to drive class B motor vehicles may also
35 drive class C motor vehicles.

36 (d) The secretary of revenue shall adopt rules and regulations estab-
37 lishing qualifications for the safe operation of the various types, sizes and
38 combinations of vehicles in each class of motor vehicles established in
39 subsection (a). Such rules and regulations shall include the adoption of
40 at least the minimum qualifications for commercial drivers’ licenses con-
41 tained in the commercial motor vehicle safety act of 1986.

42 (e) Any reference in the motor vehicle drivers’ license act to a class
43 or classes of motor vehicles is a reference to the classes of motor vehicles

1 established in subsection (a), and any reference in the motor vehicle driv-
2 ers' license act to a classified driver's license or a class of driver's license
3 means a driver's license which restricts the holder thereof to driving one
4 or more of such classes of motor vehicles.

5 (f) The secretary of revenue may enter into a contract with any per-
6 son, who meets the qualifications imposed on persons regularly employed
7 by the division as drivers' license examiners, to accept applications for
8 drivers' licenses and to administer the examinations required for the is-
9 suance of drivers' licenses.

10 (g) Notwithstanding the provisions of subsection (a), any person em-
11 ployed as an automotive mechanic who possesses a valid class C driver's
12 license may drive any class A or class B motor vehicle on the highways
13 for the purpose of determining the proper performance of the vehicle,
14 except that this does not include commercial class A, B or C vehicles.

15 Sec. 16. K.S.A. 2009 Supp. 8-2406 is hereby amended to read as
16 follows: 8-2406. (a) The annual fee for the first dealer license plate is
17 \$275, *on January 1, 2013, \$285, on January 1, 2014, \$295* and the annual
18 fee for additional dealer license plates shall be an amount equal to the
19 amount required to register a passenger vehicle having a gross weight of
20 less than 4,500 pounds, except that the annual fee for dealer license plates
21 used by trailer dealers on trailers which they have purchased or own and
22 are holding for resale shall be \$25, *on January 1, 2013, \$35, on January*
23 *1, 2014, \$45* for each plate. To determine the number of dealer license
24 plates the dealer needs, the director may base the decision on the dealer's
25 past sales, inventory and any other pertinent factors as the director may
26 determine. After the end of the first year of licensure as a dealer, not
27 more than one dealer license plate shall be issued to any dealer who has
28 not reported to the division the sale of at least five motor vehicles in the
29 preceding year. There shall be no refund of fees for dealer license plates
30 in the event of suspension, revocation or voluntary cancellation of a li-
31 cense. The director is hereby authorized to designate by identifying sym-
32 bols on a dealer's license plate the type of dealer's license that the person
33 has been issued. If a dealer has an established place of business in more
34 than one county, such dealer shall secure a separate and distinct dealer's
35 license and dealer license plates for each established place of business.

36 (b) New motor vehicle dealers and used motor vehicle dealers may
37 authorize use of dealer license plates assigned to such motor vehicle deal-
38 ers as follows:

39 (1) The licensed motor vehicle dealer and such dealer's spouse;

40 (2) the sales manager and all other sales personnel when such man-
41 ager and sales personnel are properly licensed in Kansas, except that no
42 dealer license plate shall be assigned to sales personnel who are working
43 at the established place of business of the dealer less than 20 hours per

1 week;

2 (3) any employee of such motor vehicle dealer when the use thereof
3 is directly connected to a particular business transaction of such motor
4 vehicle dealer;

5 (4) the customer when operating a motor vehicle in connection with
6 negotiations to purchase such motor vehicle or during a demonstration
7 of such motor vehicle;

8 (5) any school district and any accredited nonpublic school which has
9 entered into an agreement with a dealer to use a motor vehicle as a driver
10 training motor vehicle, as defined in K.S.A. 72-5015, and amendments
11 thereto, in an approved driver training course.

12 (c) A wholesaler dealer may authorize the use of dealer license plates
13 on vehicles purchased by the wholesaler for resale to a retail vehicle dealer
14 as follows:

15 (1) To transport or operate a vehicle to or from a licensed retail or
16 wholesale vehicle dealer for the purpose of buying, selling, or offering or
17 attempting to negotiate a sale of the vehicle to a licensed vehicle dealer;

18 (2) to deliver a vehicle purchased from the wholesale vehicle dealer
19 to a purchasing vehicle dealer.

20 (d) Salvage vehicle dealers may use dealer license plates only on ve-
21 hicles which they have purchased for salvage, including dismantling, dis-
22 assembling or recycling.

23 (e) Insurance companies may use dealer license plates only on vehi-
24 cles purchased or acquired for salvage in the course of business of the
25 insurance company.

26 (f) Lending agencies may use dealer license plates only on vehicles
27 which they have repossessed or are holding for disposition due to repos-
28 session.

29 (g) Trailer dealers may use dealer license plates only on trailers which
30 they have purchased or own and are holding for resale.

31 (h) Brokers are not entitled to be assigned or to use any dealer license
32 plates.

33 (i) Except as provided above, dealer license plates shall be used only
34 in accordance with the provisions of K.S.A. 8-136, and amendments
35 thereto. This subsection (i) does not apply to K.S.A. 8-2425, and amend-
36 ments thereto, or full-privilege license plates or dealer-hauler full-privi-
37 lege trailer license plates issued thereunder.

38 Sec. 17. K.S.A. 8-2409 is hereby amended to read as follows: 8-2409.

39 (a) Any dealer may purchase from the division of vehicles thirty-day tem-
40 porary registration permits, in multiples of five permits valid for 30 days
41 at a cost of ~~\$3~~ \$10 each. Such dealer shall have completed the application
42 and permit as required by the division and mail a copy of such application
43 to the division within 24 hours from the date of issuance. Such registration

1 shall not extend the date when registration fees are due, but shall be valid
2 registration for a period of 30 days from date of issuance. The dealer
3 upon presentation of evidence of ownership in the applicant and evidence
4 that the sales tax has been paid, if due, shall issue a sticker or paper
5 registration as determined by the division. No dealer, or county treasurer,
6 as authorized by K.S.A. 8-143, and amendments thereto, shall issue more
7 than one thirty-day temporary registration permit to the purchaser of a
8 vehicle.

9 (b) The division of vehicles may deny any dealer the authority to
10 purchase thirty-day temporary permits if the vehicle dealer is delinquent
11 in monthly sales reports to the division for two months or more or if the
12 vehicle dealer is found to have issued more than one thirty-day permit to
13 the purchaser of a vehicle.

14 (c) The temporary registration authorized by this section shall not
15 entitle a truck, truck tractor or any combination of truck or truck tractor
16 and any type of trailer or semitrailer to be operated under laden condi-
17 tions, except that such temporary registration shall authorize any such
18 vehicle or combination of vehicles to be operated under laden conditions
19 for 48 hours after the time of issuance of the temporary permit.

20 Sec. 18. K.S.A. 2009 Supp. 8-2425 is hereby amended to read as
21 follows: 8-2425. (a) When a first dealer license plate has been issued
22 under K.S.A. 8-2406, and amendments thereto, the secretary of revenue
23 may issue full-privilege license plates or dealer-hauler full-privilege trailer
24 license plates, in accordance with the provisions of this section, to a li-
25 censed manufacturer of or licensed dealer in vehicles. In no calendar year
26 shall the secretary issue in excess of 10 of each type of such license plates
27 to any licensed manufacturer or dealer.

28 (b) The annual fee for each: (1) Full-privilege license plate shall be
29 \$350.50, *on January 1, 2013, \$360.50, on January 1, 2014, \$370.50*; and
30 (2) dealer-hauler full-privilege trailer license plate shall be \$350.50, *on*
31 *January 1, 2013, \$360.50, on January 1, 2014, \$370.50.*

32 (c) The secretary shall, upon application provided by the secretary
33 and payment of the fee required in subsection (b), issue to the applicant
34 the appropriate full-privilege license plate, which shall expire on the Jan-
35 uary 31 next following its issuance, except that the dealer shall have until
36 and including the last day of February of each year within which to make
37 application for renewal.

38 (d) Subject to subsection (e), a full-privilege license plate may be used
39 in lieu of regular vehicle registration and license plate. A full-privilege
40 license plate may be used on passenger cars or trucks. A full-privilege
41 license plate may be transferred from one vehicle to another owned or
42 in inventory of such manufacturer or dealer and may be assigned for use
43 by any person, at the discretion of the manufacturer or dealer to whom

1 it is issued. The person to whom a full-privilege license plate is assigned
2 for use shall be only a person who is: (1) A member of the immediate
3 family of the licensed manufacturer of or licensed dealer in vehicles; (2)
4 a corporate officer of the licensed manufacturer of or licensed dealer in
5 vehicles; or (3) an employee of the licensed manufacturer of or licensed
6 dealer in vehicles.

7 (e) A full-privilege license plate shall not be used on a lease or rental
8 vehicle. A full-privilege license plate shall not permit any vehicle to be
9 operated or moved upon a highway to haul commodities weighing in
10 excess of two tons. A full-privilege license plate shall not be used on a
11 wrecker or tow truck when providing wrecker or towing service as defined
12 by K.S.A. 66-1329, and amendments thereto.

13 (f) A dealer-hauler full-privilege trailer license plate may be used by
14 a trailer manufacturer or trailer dealer in lieu of a regular trailer registra-
15 tion and license plate. A dealer-hauler full-privilege trailer license plate
16 may be used only on trailers. A dealer-hauler full-privilege trailer license
17 plate may be transferred from one trailer to another owned or in inventory
18 of the trailer manufacturer or trailer dealer to whom issued. A dealer-
19 hauler full-privilege trailer license plate may be used by a trailer manu-
20 facturer or trailer dealer to haul nonhighway equipment, as defined in
21 rules and regulations, for either demonstration purposes or delivery, if
22 the weight of the trailer and nonhighway equipment does not exceed
23 85,500 pounds. The dealer-hauler full-privilege trailer license plate shall
24 expire on the January 31 next following its issuance, except that the dealer
25 shall have until and including the last day of February of each year within
26 which to make application for renewal.

27 (g) Fees received under this section shall be divided equally between
28 the county treasurer in which the licensed manufacturer or dealer has its
29 established place of business and the secretary of revenue. Amounts al-
30 lotted to the secretary of revenue shall be remitted to the state treasurer
31 in accordance with the provisions of K.S.A. 75-4215, and amendments
32 thereto. Upon receipt of each such remittance, the state treasurer shall
33 deposit the entire amount in the state treasury to the credit of the vehicle
34 dealers and manufacturers fee fund which fund is hereby created in the
35 state treasury. Expenditures from the vehicle dealers and manufacturers
36 fee fund shall be made on vouchers approved by the secretary of revenue,
37 or a person designated by the secretary, for enforcement of the vehicle
38 dealers and manufacturers licensing act in accordance with appropriations
39 therefor. Amounts allotted to the county treasurers shall be credited to
40 the county treasurers' vehicle licensing fee fund which fund is hereby
41 created in the state treasury. Amounts due each county treasurer shall be
42 paid quarterly from such fund upon vouchers approved by the secretary
43 of revenue or a person designated by the secretary. Amounts received by

1 each county treasurer shall be deposited, appropriated and used as provided by K.S.A. 8-145, and amendments thereto.

2
3 (h) The provisions of K.S.A. 8-136 and 8-2406, and amendments
4 thereto, shall not apply to full-privilege license plates or dealer-hauler
5 full-privilege trailer license plates or the use thereof.

6 Sec. 19. K.S.A. 2009 Supp. 12-6a35 is hereby amended to read as
7 follows: 12-6a35. (a) Any municipality may issue special obligation bonds
8 in one or more series to finance any project in accordance with the provisions
9 of this act. Such bonds shall be made payable, both as to principal
10 and interest solely from a pledge of the sources of funds described in
11 subsections (a), (b), (c) and (e) of K.S.A. 2009 Supp. 12-6a33, and amendments
12 thereto. *Any municipality may also execute and deliver a loan with*
13 *respect to any project from the Kansas transportation revolving fund pursuant*
14 *to K.S.A. 2009 Supp. 75-5063 et seq., and amendments thereto.* The
15 municipality may pledge such revenue to the repayment of such bonds
16 *or such loans* prior to, simultaneously with or subsequent to the issuance
17 of such bonds, except for any revenues received under the provisions of
18 subsection (e) of K.S.A. 2009 Supp. 12-6a33 and amendments thereto,
19 which revenues are subject to annual appropriation.

20 (b) Bonds issued pursuant to this section shall not be general obligations
21 of the municipality, give rise to a charge against its general credit
22 or taxing powers, or be payable out of any funds or properties other than
23 any of those set forth in subsections (a), (b), (c) and (e) of K.S.A. 2009
24 Supp. 12-6a33, and amendments thereto, and such bonds shall so state
25 on their face. *This subsection shall not apply to loans from the Kansas*
26 *transportation revolving fund pursuant to K.S.A. 2009 Supp. 75-5063 et*
27 *seq., and amendments thereto.*

28 (c) Bonds issued pursuant to this section shall be special obligations
29 of the municipality and are declared to be negotiable instruments. Such
30 bonds shall be executed by the authorized representatives of the municipality
31 and sealed with the corporate seal of the municipality. All details
32 pertaining to the issuance of the bonds and terms and conditions thereof
33 shall be determined by ordinance or resolution of the municipality. The
34 provisions of K.S.A. 10-106, and amendments thereto, requiring a public
35 sale of bonds shall not apply to bonds issued under this section. All bonds
36 issued pursuant to this section and all income or interest therefrom shall
37 be exempt from all state taxes except inheritance taxes. Such bonds shall
38 contain none of the recitals set forth in K.S.A. 10-112, and amendments
39 thereto. Such bonds shall contain the following recitals: The authority
40 under which such bonds are issued; that such bonds are in conformity
41 with the provisions, restrictions and limitations thereof and that such
42 bonds and the interest thereon are to be paid from the money and revenue
43 received as provided in this section. Such bonds shall mature in no

1 more than 22 years.

2 (d) Any municipality issuing bonds under the provisions of this sec-
3 tion may refund all or part of such bonds pursuant to the provisions of
4 K.S.A. 10-116a, and amendments thereto.

5 (e) Bonds issued under the provisions of this section *or loans incurred*
6 *from the Kansas transportation revolving fund pursuant to K.S.A. 2009*
7 *Supp. 75-5063 et seq., and amendments thereto*, shall be in addition to
8 and not subject to any statutory limitation of bonded indebtedness im-
9 posed on such municipality.

10 Sec. 20. K.S.A. 2009 Supp. 12-6a36 is hereby amended to read as
11 follows: 12-6a36. (a) Any municipality may issue full faith and credit bonds
12 in one or more series to finance any project in accordance with the pro-
13 visions of this act and to refinance or refund any notes or bonds issued
14 pursuant to this act. Bonds issued pursuant to this section shall be general
15 obligations of the municipality and give rise to a charge against its general
16 credit and taxing powers, and such bonds shall so state on their face. Such
17 bonds shall be made payable, both as to principal and interest solely from
18 a pledge of the sources of funds described in K.S.A. 2009 Supp. 12-6a33,
19 and amendments thereto, including a pledge of a municipality's full faith
20 and credit to use its ad valorem taxing authority for the repayment thereof
21 in the event all other authorized sources of revenue are not sufficient.
22 The municipality may pledge such revenue to the repayment of such
23 bonds prior to, simultaneously with or subsequent to the issuance of such
24 bonds.

25 (b) Bonds issued pursuant to this section shall be general obligations
26 of the municipality and are declared to be negotiable instruments. Such
27 bonds shall be executed by the authorized representatives of the munic-
28 ipality and sealed with the corporate seal of the municipality. All details
29 pertaining to the issuance of the bonds and terms and conditions thereof
30 shall be determined by ordinance or resolution of the municipality. The
31 provisions of K.S.A. 10-106, and amendments thereto, requiring a public
32 sale of bonds shall not apply to bonds issued under this section. All bonds
33 issued pursuant to this section and all income or interest therefrom shall
34 be exempt from all state taxes except inheritance taxes. Such bonds shall
35 contain the recitals set forth in K.S.A. 10-112, and amendments thereto.
36 Such bonds shall mature in no more than 22 years. Any municipality
37 issuing bonds under the provisions of this section may refund all or part
38 of such bonds pursuant to the provisions of K.S.A. 10-427, and amend-
39 ments thereto.

40 (c) The amount of the full faith and credit bonds issued and outstand-
41 ing under this act which exceeds 3% of the assessed valuation of the
42 municipality shall be within the bonded debt limit applicable to such
43 municipality.

- 1 (d) If, within 60 days following the date of the public hearing de-
2 scribed in K.S.A. 2009 Supp. 12-6a29, and amendments thereto, a protest
3 petition signed by 5% of the qualified voters of the municipality is filed
4 with the municipality's clerk in accordance with the provisions of K.S.A.
5 25-3601 et seq., and amendments thereto, no full faith and credit bonds
6 shall be issued until the issuance of the full faith and credit bonds is
7 approved by a majority of the voters voting at an election thereon. The
8 failure of the voters to approve the issuance of full faith and credit bonds
9 shall not prevent a municipality from issuing special obligation bonds.
- 10 (e) *The provisions of subsections (b), (c) and (d) shall not apply to*
11 *loans from the Kansas transportation revolving fund pursuant to K.S.A.*
12 *2009 Supp. 75-5063 et seq., and amendments thereto.*
- 13 Sec. 21. K.S.A. 2009 Supp. 12-1774 is hereby amended to read as
14 follows: 12-1774. (a) (1) Any city shall have the power to issue special
15 obligation bonds in one or more series *and/or execute and deliver a loan*
16 *from the Kansas transportation revolving fund pursuant to K.S.A. 2009*
17 *Supp. 75-5063 et seq., and amendments thereto*, to finance the undertak-
18 ing of any redevelopment project or bioscience development project in
19 accordance with the provisions of this act. Such special obligation bonds
20 *or loans* shall be made payable, both as to principal and interest:
- 21 (A) From tax increments allocated to, and paid into a special fund of
22 the city under the provisions of K.S.A. 12-1775, and amendments thereto;
- 23 (B) from revenues of the city derived from or held in connection with
24 the undertaking and carrying out of any redevelopment project or projects
25 or bioscience development project or projects under this act including
26 environmental increments;
- 27 (C) from any private sources, contributions or other financial assis-
28 tance from the state or federal government;
- 29 (D) from a pledge of all of the revenue received by the city from any
30 transient guest and local sales and use taxes which are collected from
31 taxpayers doing business within that portion of the city's redevelopment
32 district or bioscience development district established pursuant to K.S.A.
33 12-1771, and amendments thereto, occupied by a redevelopment project
34 or bioscience development project. A city proposing to finance a major
35 motorsports complex pursuant to this paragraph shall prepare a project
36 plan which shall include:
- 37 (i) A summary of the feasibility study done, as defined in K.S.A. 12-
38 1770a, and amendments thereto, which will be an open record;
- 39 (ii) a reference to the district plan established under K.S.A. 12-1771,
40 and amendments thereto, that identifies the project area that is set forth
41 in the project plan that is being considered;
- 42 (iii) a description and map of the location of the facility that is the
43 subject of the special bond project or major motorsports complex;

1 (iv) the relocation assistance plan required by K.S.A. 12-1777, and
2 amendments thereto;

3 (v) a detailed description of the buildings and facilities proposed to
4 be constructed or improved; and

5 (vi) any other information the governing body deems necessary to
6 advise the public of the intent of the special bond project or major mo-
7 torsports complex plan.

8 The project plan shall be prepared in consultation with the planning
9 commission of the city. Such project plan shall also be prepared in con-
10 sultation with the planning commission of the county, if any, if a major
11 motorsports complex is located wholly outside the boundaries of the city.

12 (E) from a pledge of a portion or all increased revenue received by
13 the city from: (i) Franchise fees collected from utilities and other busi-
14 nesses using public right-of-way within the redevelopment district; (ii)
15 from a pledge of all or a portion of the revenue received by the city from
16 sales taxes; or (iii) both of the above;

17 (F) with the approval of the county, from a pledge of all of the rev-
18 enues received by the county from any transient guest, local sales and use
19 taxes which are collected from taxpayers doing business within that por-
20 tion of the redevelopment district established pursuant to K.S.A. 12-1771,
21 and amendments thereto;

22 (G) *if a project is financed in whole or in part with the proceeds of a*
23 *loan to the municipality from the Kansas transportation revolving fund,*
24 *such loan shall also be payable from amounts available pursuant to K.S.A.*
25 *2009 Supp. 75-5063 et seq., and amendments thereto;*

26 ~~(G)~~ (H) by any combination of these methods.

27 The city may pledge such revenue to the repayment of such special
28 obligation bonds prior to, simultaneously with, or subsequent to the is-
29 suance of such special obligation bonds.

30 (2) Bonds issued under paragraph (1) of subsection (a) shall not be
31 general obligations of the city, nor in any event shall they give rise to a
32 charge against its general credit or taxing powers, or be payable out of
33 any funds or properties other than any of those set forth in paragraph (1)
34 of this subsection and such bonds shall so state on their face. *This para-*
35 *graph shall not apply to loans from the Kansas transportation revolving*
36 *fund pursuant to K.S.A. 2009 Supp. 75-5063 et seq., and amendments*
37 *thereto.*

38 (3) Bonds issued under the provisions of paragraph (1) of this sub-
39 section shall be special obligations of the city and are declared to be
40 negotiable instruments. They shall be executed by the mayor and clerk
41 of the city and sealed with the corporate seal of the city. All details per-
42 taining to the issuance of such special obligation bonds and terms and
43 conditions thereof shall be determined by ordinance of the city. All special

1 obligation bonds issued pursuant to this act and all income or interest
2 therefrom shall be exempt from all state taxes except inheritance taxes.
3 Such special obligation bonds shall contain none of the recitals set forth
4 in K.S.A. 10-112, and amendments thereto. Such special obligation bonds
5 shall, however, contain the following recitals, viz., the authority under
6 which such special obligation bonds are issued, they are in conformity
7 with the provisions, restrictions and limitations thereof, and that such
8 special obligation bonds and the interest thereon are to be paid from the
9 money and revenue received as provided in paragraph (1) of this subsec-
10 tion.

11 (b) (1) Subject to the provisions of paragraph (2) of this subsection,
12 any city shall have the power to issue full faith and credit tax increment
13 bonds to finance the undertaking of any redevelopment project in ac-
14 cordance with the provisions of K.S.A. 12-1770 et seq., and amendments
15 thereto, other than a project that will create a major tourism area. Such
16 full faith and credit tax increment bonds shall be made payable, both as
17 to principal and interest: (A) From the revenue sources identified in par-
18 agraph (1) of subsection (a) or by any combination of these sources; and
19 (B) subject to the provisions of paragraph (2) of this subsection, from a
20 pledge of the city's full faith and credit to use its ad valorem taxing au-
21 thority for repayment thereof in the event all other authorized sources of
22 revenue are not sufficient.

23 (2) Except as provided in paragraph (3) of this subsection, before the
24 governing body of any city proposes to issue full faith and credit tax in-
25 crement bonds as authorized by this subsection, the feasibility study re-
26 quired by K.S.A. 12-1772, and amendments thereto, shall demonstrate
27 that the benefits derived from the project will exceed the cost and that
28 the income therefrom will be sufficient to pay the costs of the project.
29 No full faith and credit tax increment bonds shall be issued unless the
30 governing body states in the resolution required by K.S.A. 12-1772, and
31 amendments thereto, that it may issue such bonds to finance the proposed
32 redevelopment project.

33 The governing body may issue the bonds unless within 60 days follow-
34 ing the date of the public hearing on the proposed project plan a protest
35 petition signed by 3% of the qualified voters of the city is filed with the
36 city clerk in accordance with the provisions of K.S.A. 25-3601 et seq., and
37 amendments thereto. If a sufficient petition is filed, no full faith and credit
38 tax increment bonds shall be issued until the issuance of the bonds is
39 approved by a majority of the voters voting at an election thereon. Such
40 election shall be called and held in the manner provided by the general
41 bond law.

42 The failure of the voters to approve the issuance of full faith and credit
43 tax increment bonds shall not prevent the city from issuing special obli-

1 gation bonds in accordance with this section.

2 No such election shall be held in the event the board of county com-
3 missioners or the board of education determines, as provided in K.S.A.
4 12-1771, and amendments thereto, that the proposed redevelopment dis-
5 trict will have an adverse effect on the county or school district.

6 (3) As an alternative to paragraph (2) of this subsection, any city which
7 adopts a redevelopment project plan but does not state its intent to issue
8 full faith and credit tax increment bonds in the resolution required by
9 K.S.A. 12-1772, and amendments thereto, and has not acquired property
10 in the redevelopment project area may issue full faith and credit tax in-
11 crement bonds if the governing body of the city adopts a resolution stating
12 its intent to issue the bonds and the issuance of the bonds is approved by
13 a majority of the voters voting at an election thereon. Such election shall
14 be called and held in the manner provided by the general bond law.

15 The failure of the voters to approve the issuance of full faith and credit
16 tax increment bonds shall not prevent the city from issuing special obli-
17 gation bonds pursuant to paragraph (1) of subsection (a). Any project plan
18 adopted by a city prior to the effective date of this act in accordance with
19 K.S.A. 12-1772, and amendments thereto, shall not be invalidated by any
20 requirements of this act.

21 (4) During the progress of any redevelopment project in which the
22 redevelopment project costs will be financed, in whole or in part, with
23 the proceeds of full faith and credit tax increment bonds, the city may
24 issue temporary notes in the manner provided in K.S.A. 10-123, and
25 amendments thereto, to pay the redevelopment project costs for the pro-
26 ject. Such temporary notes shall not be issued and the city shall not ac-
27 quire property in the redevelopment project area until the requirements
28 of paragraph (2) or (3) of this subsection, whichever is applicable, have
29 been met.

30 (5) Full faith and credit tax increment bonds issued under this sub-
31 section shall be general obligations of the city and are declared to be
32 negotiable instruments. They shall be issued in accordance with the gen-
33 eral bond law. All such bonds and all income or interest therefrom shall
34 be exempt from all state taxes except inheritance taxes. The amount of
35 the full faith and credit tax increment bonds issued and outstanding which
36 exceeds 3% of the assessed valuation of the city shall be within the bonded
37 debt limit applicable to such city.

38 (6) Any city issuing special obligation bonds or full faith and credit
39 tax increment bonds under the provisions of this act may refund all or
40 part of such issue pursuant to the provisions of K.S.A. 10-116a, and
41 amendments thereto.

42 (c) Any increment in ad valorem property taxes resulting from a re-
43 development project in the established redevelopment district under-

1 taken in accordance with the provisions of this act, shall be apportioned
2 to a special fund for the payment of the redevelopment project costs,
3 including the payment of principal and interest on any special obligation
4 bonds or full faith and credit tax increment bonds issued to finance such
5 project pursuant to this act and may be pledged to the payment of prin-
6 cipal and interest on such bonds.

7 (d) A city may use the proceeds of special obligation bonds or full
8 faith and credit tax increment bonds, *or proceeds of a loan from the Kan-*
9 *sas transportation revolving fund pursuant to K.S.A. 2009 Supp. 75-5063*
10 *et seq., and amendments thereto*, or any uncommitted funds derived from
11 sources set forth in this section to pay the redevelopment project costs
12 as defined in K.S.A. 12-1770a, and amendments thereto, to implement
13 the redevelopment project plan.

14 Sec. 22. K.S.A. 2009 Supp. 12-1774a is hereby amended to read as
15 follows: 12-1774a. (a) In the event that the city shall default in the pay-
16 ment of any special obligation bonds payable from revenues authorized
17 pursuant to subsection (a)(1)(D) of K.S.A. 12-1774, and amendments
18 thereto, no public funds shall be used to pay the holders thereof except
19 as otherwise specifically authorized in this act.

20 (b) *This section shall not apply to loans from the Kansas transporta-*
21 *tion revolving fund pursuant to K.S.A. 2009 Supp. 75-5063 et seq., and*
22 *amendments thereto.*

23 Sec. 23. K.S.A. 12-1775 is hereby amended to read as follows: 12-
24 1775. (a) Except for redevelopment projects satisfying the conditions of
25 subsection (c) of K.S.A. 12-1771b, and amendments thereto, all tangible
26 taxable property located within a redevelopment district shall be assessed
27 and taxed for ad valorem tax purposes pursuant to law in the same manner
28 that such property would be assessed and taxed if located outside such
29 district, and all ad valorem taxes levied on such property shall be paid to
30 and collected by the county treasurer in the same manner as other taxes
31 are paid and collected. Except as otherwise provided in this section, the
32 county treasurer shall distribute such taxes as may be collected in the
33 same manner as if such property were located outside a redevelopment
34 district. Each redevelopment district established under the provisions of
35 this act shall constitute a separate taxing unit for the purpose of the com-
36 putation and levy of taxes.

37 (b) Except for redevelopment projects satisfying the conditions of
38 subsection (c) of K.S.A. 12-1771b, and amendments thereto, beginning
39 with the first payment of taxes which are levied following the date of the
40 establishment of the redevelopment district real property taxes received
41 by the county treasurer resulting from taxes which are levied subject to
42 the provisions of this act by and for the benefit of a taxing subdivision, as
43 defined in K.S.A. 12-1770a, *and amendments thereto*, on property located

1 within such redevelopment district constituting a separate taxing unit un-
2 der the provisions of this section, shall be divided as follows:

3 (1) From the taxes levied each year subject to the provisions of this
4 act by or for each of the taxing subdivisions upon property located within
5 a redevelopment district constituting a separate taxing unit under the
6 provisions of this act, the county treasurer first shall allocate and pay to
7 each such taxing subdivision all of the real property taxes collected which
8 are produced from the base year assessed valuation.

9 (2) Any real property taxes produced from that portion of the current
10 assessed valuation of real property within the redevelopment district con-
11 stituting a separate taxing unit under the provisions of this section in
12 excess of the base year assessed valuation shall be allocated and paid by
13 the county treasurer to the treasurer of the city and deposited in a special
14 fund of the city to pay the redevelopment project costs including the
15 payment of principal of and interest on any special obligation bonds or
16 full faith and credit tax increment bonds issued by such city to finance,
17 in whole or in part, such redevelopment project. When the redevelop-
18 ment project costs have been paid and such obligation bonds and interest
19 thereon have been paid, all moneys thereafter received from real property
20 taxes within such redevelopment district shall be allocated and paid to
21 the respective taxing subdivisions in the same manner as are other ad
22 valorem taxes. If such obligation bonds and interest thereon have been
23 paid before the completion of a project, the city may continue to use such
24 moneys for any purpose authorized by this act until such time as the
25 project is completed, but for not to exceed 20 years from the date of the
26 approval of the project plan, except as otherwise provided by this act.

27 (c) In any project plan or *in the loan documents relating to a loan*
28 *from the Kansas transportation revolving fund pursuant to K.S.A. 2009*
29 *Supp. 75-5063 et seq., and amendments thereto, or in the proceedings for*
30 *the issuing of any special obligation bonds or full faith and credit tax*
31 *increment bonds by the city to finance a redevelopment project, the prop-*
32 *erty tax increment portion of taxes provided for in paragraph (2) of sub-*
33 *section (c) may be irrevocably pledged for the payment of the principal*
34 *of and interest on such obligation bonds or loan, subject to the provisions*
35 *of subsection (c) of K.S.A. 12-1774, and amendments thereto.*

36 (d) A city may adopt a project plan in which only a specified per-
37 centage or amount of the tax increment realized from taxpayers in the
38 redevelopment district are pledged to the redevelopment project. The
39 county treasurer shall allocate the specified percentage or amount of the
40 tax increment to the treasurer of the city for deposit in the special fund
41 of the city to finance the redevelopment project costs if the city has other
42 available revenues and pledges the revenues to the redevelopment project
43 in lieu of the tax increment. Any portion of such tax increment not allo-

1 cated to the city for the redevelopment project shall be allocated and paid
2 in the same manner as other ad valorem taxes.

3 Sec. 24. K.S.A. 2009 Supp. 12-17,148 is hereby amended to read as
4 follows: 12-17,148. A separate fund shall be created for each district and
5 each project and such fund shall be identified by a suitable title. *Except*
6 *as otherwise required by the secretary of transportation in connection*
7 *with a loan to the municipality from the Kansas transportation revolving*
8 *fund*, the proceeds from the sale of bonds, *transportation revolving fund*
9 *loan*, any special assessment and transportation development district sales
10 tax authorized, levied and collected under this act by the municipality and
11 any other moneys appropriated by the governing body for such purpose
12 shall be credited to such fund. Such fund shall be used solely to pay the
13 costs of the project. Upon payment of the principal and interest on the
14 bonds, if any, the municipality shall have the authority to spend any mon-
15 eys remaining in the fund for the purposes for which local sales tax re-
16 cepts may be spent.

17 Sec. 25. K.S.A. 2009 Supp. 12-17,149 is hereby amended to read as
18 follows: 12-17,149. (a) Any municipality may issue bonds in one or more
19 series *and/or execute and deliver a loan with respect to a project from the*
20 *Kansas transportation revolving fund pursuant to K.S.A. 2009 Supp. 75-*
21 *5063 et seq., and amendments thereto*, to finance the undertaking of any
22 project in accordance with the provisions of this act. Such bonds shall be
23 made payable, both as to principal and interest solely from a pledge of
24 the sources of funds described in K.S.A. 2009 Supp. 12-17,147, and
25 amendments thereto, *except that, if a project is financed, in whole or in*
26 *part, with the proceeds of a loan to the municipality from the Kansas*
27 *transportation revolving fund, such loan shall also be payable from*
28 *amounts available pursuant to K.S.A. 2009 Supp. 75-5063 et seq., and*
29 *amendments thereto*. The municipality may pledge such revenue to the
30 repayment of such bonds *or loans* prior to, simultaneously with or sub-
31 sequent to the issuance of such bonds, except for any revenues received
32 under the provisions of subsection (d) of K.S.A. 2009 Supp. 12-17,147,
33 and amendments thereto, which revenues are subject to annual appro-
34 priation.

35 (b) Bonds issued pursuant to subsection (a) shall not be general ob-
36 ligations of the municipality, give rise to a charge against its general credit
37 or taxing powers, or be payable out of any funds or properties other than
38 any of those set forth in subsection (a) and such bonds shall so state on
39 their face. *This subsection shall not apply to loans from the Kansas trans-*
40 *portation revolving fund pursuant to K.S.A. 2009 Supp. 75-5063 et seq.,*
41 *and amendments thereto*.

42 (c) Bonds issued pursuant to subsection (a) shall be special obliga-
43 tions of the municipality and are declared to be negotiable instruments.

1 Such bonds shall be executed by the authorized representatives of the
2 municipality and sealed with the corporate seal of the municipality. All
3 details pertaining to the issuance of the bonds and terms and conditions
4 thereof shall be determined by ordinance or resolution of the municipi-
5 tality. The provisions of K.S.A. 10-106, and amendments thereto, re-
6 quiring a public sale of bonds shall not apply to bonds issued under this
7 act. All bonds issued pursuant to this act and all income or interest there-
8 from shall be exempt from all state taxes except inheritance taxes. Such
9 bonds shall contain none of the recitals set forth in K.S.A. 10-112, and
10 amendments thereto. Such bonds shall contain the following recitals: The
11 authority under which such bonds are issued; that such bonds are in
12 conformity with the provisions, restrictions and limitations thereof; and
13 that such bonds and the interest thereon are to be paid from the money
14 and revenue received as provided in subsection (a) such bonds shall ma-
15 ture in no more than 22 years.

16 (d) Any municipality issuing bonds *or executing a loan from the Kan-*
17 *sas transportation revolving fund pursuant to K.S.A. 2009 Supp. 75-5063*
18 *et seq., and amendments thereto*, under the provisions of this act may
19 refund all or part of such issue pursuant to the provisions of K.S.A. 10-
20 116a, and amendments thereto.

21 (e) Bonds issued under the provisions of this act shall be in addition
22 to and not subject to any statutory limitation of bonded indebtedness
23 imposed on such municipality.

24 Sec. 26. K.S.A. 68-416 is hereby amended to read as follows: 68-416.
25 The state highway fund shall be apportioned as follows:

26 (a) The secretary of transportation annually shall apportion and dis-
27 tribute quarterly, on the first day of January, April, July and October, to
28 cities on the state highway system from the state highway fund moneys
29 at the rate of \$3,000 per year per lane per mile for the maintenance of
30 streets and highways in cities designated by the secretary as city con-
31 necting links. Unless a consolidated street and highway fund is established
32 pursuant to K.S.A. 12-1,119, and amendments thereto, all moneys dis-
33 tributed by the secretary shall be credited to the street and alley funds
34 of such cities. All moneys so distributed shall be used solely for the main-
35 tenance of city connecting links. Maintenance of such city connecting
36 links shall be as prescribed in K.S.A. 68-416a, and amendments thereto.
37 As used in this subsection, "lane" means the portion of the roadway for
38 use of moving traffic of a standard width prescribed by the secretary. In
39 lieu of such apportionment, the secretary, by and with the consent of the
40 governing body of any city within the state of Kansas, may maintain such
41 streets within the city and pay for such maintenance from the highway
42 fund.

43 (b) All of the remainder of such highway fund shall be used by the

1 secretary of transportation for:

- 2 (1) The construction, improvement, reconstruction and maintenance
- 3 of the state highway system;
- 4 (2) improvements in transportation programs to aid elderly persons,
- 5 persons with disabilities and the general public;
- 6 (3) for any purpose specified in ~~K.S.A. 68-2314a~~ *section 1, and*
- 7 *amendments thereto*;
- 8 (4) the support and maintenance of the department of transportation;
- 9 (5) the expenses of administering the motor vehicle registration and
- 10 drivers' license laws; and
- 11 (6) the payment of losses to department of transportation employees
- 12 authorized by K.S.A. ~~2002~~ 2009 Supp. 75-5062, and amendments thereto.

13 Sec. 27. K.S.A. 68-20,120 is hereby amended to read as follows: 68-

14 20,120. ~~(a)~~ In addition to other powers and duties granted to the secretary

15 of transportation;

16 (a) (I) The secretary of transportation may study the feasibility of

17 constructing a new toll project or turnpike project or designating existing

18 highways or any portion of such highways as a toll project or turnpike

19 project.

20 ~~(b)~~ (2) The study of the feasibility of such toll project or turnpike

21 project shall include, but not be limited to:

22 ~~(1)~~ (A) The total cost of such project;

23 ~~(2)~~ (B) a determination of the funding of such projects, including the

24 use of one or a combination of public funds, private funds or toll revenues;

25 ~~(3)~~ (C) a determination of the duration of the collection of tolls on

26 such projects and if such projects are to become toll-free, a projected

27 date when such projects would become toll-free; and

28 ~~(4)~~ (D) such other data deemed necessary by the secretary for a de-

29 termination of the project's feasibility.

30 (b) *After conducting the feasibility study under subsection (a) and if*

31 *such feasibility study provides a favorable result, the secretary of trans-*

32 *portation may recommend the construction of a new toll project or turn-*

33 *pike project or the designation of an existing highway or any portion of*

34 *such highway as a toll project or turnpike project.*

35 Sec. 28. K.S.A. 2009 Supp. 68-2315 is hereby amended to read as

36 follows: 68-2315. Annually, prior to the 10th day of each regular session

37 of the legislature, the secretary of transportation shall submit a written

38 report to the governor and each member of the legislature providing:

39 (a) Summary financial information and a statement of assurance that

40 the department of transportation has prepared a comprehensive financial

41 report of all funds for the preceding year which includes a report by

42 independent public accountants attesting that the financial statements

43 present fairly the financial position of the Kansas department of trans-

- 1 portation in conformity with generally accepted accounting principles and
2 a notification that the complete comprehensive financial report, including
3 the auditor's report is available upon request;
- 4 (b) a detailed explanation of the methods or criteria employed in the
5 selection of ~~substantial maintenance and construction projects~~ *transportation projects under subsection (b) of section 1, and amendments thereto*,
6 and in the awarding of assistance to cities, counties or other transportation
7 providers;
- 8 (c) the proposed allocation and expenditure of moneys and proposed
9 work plan for the current fiscal year and at least the next five years;
- 10 (d) information concerning system enhancements, construction work
11 completed in the preceding fiscal year and construction work in progress;
- 12 (e) information concerning the operation and financial condition of
13 the transportation revolving fund;
- 14 (f) the annual allocation and expenditure of moneys from the coordinated public transportation assistance fund under K.S.A. 75-5035, and
15 amendments thereto;
- 16 (g) the annual allocation and expenditure of moneys from the rail
17 service improvement fund under K.S.A. 75-5048, and amendments
18 thereto, including specific information relating to any grants or loans
19 made under such program;
- 20 (h) the annual allocation and expenditure of moneys from the public
21 use general aviation airport development fund under K.S.A. 75-5061, and
22 amendments thereto, including specific information relating to grants
23 made under such program;
- 24 (i) specific recommendations for any statutory changes necessary for
25 the successful completion of the ~~comprehensive~~ transportation program
26 specified in ~~K.S.A. 68-2314a~~ *section 1, and amendments thereto*, or efficient and effective operation of the Kansas department of transportation;
27 and
- 28 (j) an explanation of any material changes from the previous annual
29 report.
- 30
- 31
- 32
- 33 Sec. 29. K.S.A. 68-2320 is hereby amended to read as follows: 68-
34 2320. (a) On and after July 1, 1991, the secretary of transportation is
35 hereby authorized and empowered to issue bonds of the state of Kansas,
36 payable solely from revenues accruing to the state highway fund and
37 transferred to the highway bond debt service fund and pledged to their
38 payment, for the purpose of providing funds to pay costs relating to construction, reconstruction, maintenance or improvement of highways in
39 this state and to pay all expenses incidental thereto and to the bonds. The
40 secretary is hereby authorized to issue bonds the total principal amount
41 of which shall not exceed \$890,000,000.
- 42
- 43 (b) In addition to the provisions of subsection (a), on and after July

1 1, 1999, the secretary of transportation is hereby authorized and empow-
2 ered to issue bonds of the state of Kansas, payable solely from revenues
3 accruing to the state highway fund and transferred to the highway bond
4 debt service fund and pledged to their payment, for the purpose of pro-
5 viding funds to pay costs relating to construction, reconstruction, main-
6 tenance or improvement of highways in this state and to pay all expenses
7 incidental thereto and to the bonds. The secretary is hereby authorized
8 to issue bonds the total principal amount of which shall not exceed
9 \$1,272,000,000.

10 (c) (1) *In addition to the provisions of subsections (a) and (b), on and*
11 *after July 1, 2010, the secretary of transportation is hereby authorized*
12 *and empowered to issue additional bonds of the state of Kansas, payable*
13 *solely from revenues accruing to the state highway fund and transferred*
14 *to the highway bond debt service fund and pledged to their payment, for*
15 *the purpose of providing funds to pay costs relating to construction, re-*
16 *construction, maintenance or improvement of highways in this state and*
17 *to pay all expenses incidental thereto and to the bonds. No bonds shall be*
18 *issued by the secretary pursuant to this subsection unless the secretary*
19 *certifies that, as of the date of issuance of any such series of additional*
20 *bonds, the maximum annual debt service on all outstanding bonds issued*
21 *pursuant to this section and K.S.A. 68-2328, and amendments thereto,*
22 *including the bonds to be issued on such date, will not exceed 18% of*
23 *projected state highway fund revenues for the current or any future fiscal*
24 *year.*

25 (2) *As used in this subsection:*

26 (A) *“Maximum annual debt service” means the maximum amount of*
27 *debt service requirements on all outstanding bonds for the current or any*
28 *future fiscal year;*

29 (B) *“debt service requirements” means, for each fiscal year, the ag-*
30 *gregate principal and interest payments required to be made during such*
31 *fiscal year on all outstanding bonds, including the additional bonds to be*
32 *issued, less any interest subsidy payments expected to be received from*
33 *the federal government, less any principal and interest payments irrevoc-*
34 *ably provided for from a dedicated escrow of United States government*
35 *securities;*

36 (C) *“projected state highway fund revenues” means all revenues pro-*
37 *jected by the secretary of transportation to accrue to the state highway*
38 *fund for the current or any future fiscal year; and*

39 (D) *“fiscal year” means the fiscal year of the state.*

40 (3) *Debt service requirements for variable rate bonds outstanding or*
41 *proposed to be issued for the current or any future fiscal year for which*
42 *the actual interest rate cannot be determined on the date of calculation*
43 *shall be deemed to bear interest at an assume rate equal to the average of*

1 *the SIFMA swap index, or any successor variable rate index, for the im-*
2 *mediately preceding five calendar years plus 1% and an amount deter-*
3 *mined by the secretary that represents the then current reasonable annual*
4 *ancillary costs associated with variable rate debt, including credit en-*
5 *hancement, liquidity and remarketing costs; except that, debt service*
6 *requirements for variable rate bonds that are hedged pursuant to an in-*
7 *terest rate exchange or similar agreement that results in synthetic fixed*
8 *rate debt shall be deemed to bear interest at the synthetic fixed rate plus*
9 *.5% and an amount determined by the secretary that represents the then*
10 *current reasonable annual ancillary costs associated with variable rate*
11 *debt, including credit enhancement, liquidity and remarketing costs.*

12 *(4) Projected state highway fund revenues for the current or any fu-*
13 *ture fiscal year for which the actual revenues cannot be determined on*
14 *the date of calculation shall be deemed to be the actual revenues for the*
15 *most recently completed fiscal year, adjusted in each subsequent fiscal*
16 *year by a percentage equal to the historical average annual increase or*
17 *decrease in revenues for the five fiscal year period prior to the current*
18 *fiscal year, and further adjusted to take into account any increases or*
19 *decreases in the statutory rates of any taxes or other charges or transfers*
20 *that comprise a portion of the revenues.*

21 ~~(c)~~ *(d)* In accordance with procurement statutes, the secretary may
22 contract with financial advisors, attorneys and such other professional
23 services as the secretary deems necessary to carry out the provisions of
24 this act, and to do all things necessary or convenient to carry out the
25 powers expressly granted in this act.

26 Sec. 30. K.S.A. 68-2321 is hereby amended to read as follows: 68-
27 2321. (a) Bonds issued shall be authorized by resolution of the secretary.
28 The secretary shall determine the form and manner of the execution of
29 the bonds and the bonds may be made exchangeable for bonds of another
30 denomination or in another form. The bonds shall be dated. Bonds issued
31 under subsections (a) and (b) of K.S.A. 68-2320, and amendments
32 thereto, shall mature not more than 20 years from their date. *Bonds issued*
33 *under subsection (c) of K.S.A. 68-2320, and amendments thereto, shall*
34 *mature not more than 25 years from their date. Bonds issued for the*
35 *purpose of refunding bonds under K.S.A. 68-2328, and amendments*
36 *thereto, shall mature not more than 25 years from their date.* The bonds
37 may be in such form and denominations, may bear interest payable at
38 such times and at such rate or rates, may be payable at such places within
39 or without the state, may be subject to such terms of redemption in
40 advance of maturity at such prices, and may contain such terms and con-
41 ditions, all as the secretary shall determine. The bonds shall have all the
42 qualities of and shall be deemed to be negotiable instruments under the
43 laws of the state of Kansas. The authorizing resolution may contain any

1 other terms, covenants and conditions that the secretary deems reason-
2 able and desirable.

3 (b) The proceeds from the sale of the bonds authorized to be issued
4 under this section are deemed to be trust funds which shall be deposited
5 in the custody of the state treasurer in the highway bond proceeds fund
6 which is hereby created. The secretary shall have responsibility for the
7 management and control of the highway bond proceeds fund and shall
8 provide, by resolution, for both amounts and the duration of investments
9 of moneys in such fund. Such resolution may recommend investment and
10 reporting policies, including acceptable levels of return, risk and security.
11 After consultation with the secretary and subject to the terms, covenants
12 and conditions provided in the resolutions providing for the issuance of
13 such bonds, the director of investments shall have the authority to invest
14 and reinvest moneys in such fund and to acquire, retain, manage, includ-
15 ing the exercise of any voting rights, and dispose of investments of such
16 fund. In investing or reinvesting moneys in such fund, there shall be
17 exercised the judgment and care under the circumstances then prevailing
18 which persons of prudence, discretion and intelligence exercise in the
19 management of their own affairs, not in regard to speculation but in re-
20 gard to the permanent disposition of their funds, considering the probable
21 income as well as the probable safety of their capital, except that moneys
22 of the fund may not be invested in common stocks. Notwithstanding any-
23 thing to the contrary, all interest or other income of the investments,
24 after payment of any management fees, of the highway bond proceeds
25 fund shall be credited to the highway bond debt service fund, until pay-
26 ments on bonds authorized by this act and interest thereon has been fully
27 funded. Thereafter, earnings and other income shall be credited to the
28 state highway fund.

29 (c) The authorizing resolution may provide for the execution of a trust
30 indenture. The trust indenture may contain any terms, covenants and
31 conditions that are deemed desirable by the secretary, including, without
32 limitation, those pertaining to the maintenance of various funds and re-
33 serves, the nature and extent of any security for payment of the bonds,
34 the custody and application of the proceeds of the bonds, the collection
35 and disposition of bond proceeds and earnings thereon, the investing for
36 authorized purposes, and the rights, duties and obligations of the secre-
37 tary and the holders and registered owners of the bonds.

38 (d) Any authorizing resolution and trust indenture relating to the is-
39 suance and security of the bonds may set forth covenants, agreements
40 and obligations therein, which may be enforced by mandamus or other
41 appropriate proceeding at law or in equity.

42 (e) The bonds may be issued under the provisions of this act without
43 obtaining the consent of any department, division, commission, board,

1 bureau or agency of the state and without any other proceedings or the
2 happening of any other conditions or things than those proceedings, con-
3 ditions or things which are specifically required by this act.

4 Sec. 31. K.S.A. 68-2328 is hereby amended to read as follows: 68-
5 2328. (a) Bonds may be issued for the purpose of refunding, either at
6 maturity or in advance of maturity, any bonds issued under this act, *any*
7 *interest on such bonds or both bonds and the interest thereof.* ~~Bonds may~~
8 ~~be issued subsequent to the effective date of this act for the purpose of~~
9 ~~refunding, either at maturity or in advance of maturity, bonds issued~~
10 ~~under article 23 of chapter 68 of the Kansas Statutes Annotated, and~~
11 ~~amendments thereto.~~ Such refunding bonds may either be sold or deliv-
12 ered in exchange for the bonds being refunded. If sold, the proceeds may
13 either be applied to the payment of the bonds being refunded or depos-
14 ited in trust and there maintained in cash or investments for the retire-
15 ment of the bonds being refunded, as shall be specified by the secretary
16 and the authorizing resolution or trust indenture securing such refunding
17 bonds. The authorizing resolution or trust indenture securing the re-
18 funding bonds may provide that the refunding bonds shall have the same
19 security for their payment as provided for the bonds being refunded.
20 Refunding bonds shall be sold and secured in accordance with the pro-
21 visions of this act pertaining to the sale and security of the bonds. Any
22 bonds that have been issued pursuant to this section shall not be counted
23 toward the limit on the aggregate principal amount of bonds established
24 under *subsections (a) and (b) of K.S.A. 68-2320, and amendments thereto.*

25 (b) When all bonds issued under article 23 of chapter 68 of the Kansas
26 Statutes Annotated, and amendments thereto, have either been paid or
27 the lien of such bonds shall have been defeased in accordance with their
28 terms so that the bonds are deemed to have been paid, the secretary of
29 transportation shall certify such facts to the director of accounts and re-
30 ports and upon receipt of such certification the director of accounts and
31 reports shall transfer all moneys in the state freeway fund to the state
32 highway fund and upon such transfer all liabilities of the state freeway
33 fund are hereby transferred to and imposed upon the state highway fund
34 and the state freeway fund is hereby abolished. Upon the abolition of the
35 state freeway fund, any reference to the state freeway fund or any des-
36 ignation thereof, in any statute, contract or other document shall mean
37 the state highway fund.

38 Sec. 32. K.S.A. 2009 Supp. 68-2331 is hereby amended to read as
39 follows: 68-2331. (a) For the purpose of financing a portion of the com-
40 prehensive transportation program, ~~K.S.A. 68-2314a, et seq., and amend-~~
41 ~~ments thereto,~~ the Kansas development finance authority is hereby au-
42 thorized to issue one or more series of revenue bonds pursuant to the
43 Kansas development finance authority act, K.S.A. 74-8901 et seq., and

1 amendments thereto, in an amount necessary to provide a deposit or
2 deposits in a total amount not to exceed \$150,000,000 to the state highway
3 fund plus amounts necessary to pay the costs of issuance of the bonds,
4 including any credit enhancement, and provide any required reserves for
5 the bonds. The principal amount, interest rates and final maturity of such
6 revenue bonds and any bonds issued to refund such bonds or parameters
7 for such principal amount, interest rates and final maturity shall be ap-
8 proved by the secretary of transportation and by a resolution of the state
9 finance council. The bonds, and interest thereon, issued pursuant to this
10 section shall be payable from moneys appropriated by the state for such
11 purpose. The bonds and interest thereon, issued pursuant to this section
12 shall be obligations only of the authority and in no event shall such bonds
13 constitute an indebtedness or obligation of the Kansas department of
14 transportation or an indebtedness or obligation for which the faith and
15 credit or any assets of the Kansas department of transportation are
16 pledged.

17 (b) (1) The authority may pledge the contract or contracts authorized
18 in subsection (c), or any part thereof, for the payment or redemption of
19 the bonds, and covenant as to the use and disposition of money available
20 to the authority for payments of the bonds. The authority is authorized
21 to enter into any agreements necessary or desirable to effectuate the
22 purposes of this section.

23 (2) The proceeds from the sale of the bonds, other than refunding
24 bonds, issued pursuant to this section, after payment of any costs related
25 to the issuance of such bonds, shall be paid by the authority to the Kansas
26 department of transportation to be applied to the payment, in full or in
27 part, of the construction projects authorized by the comprehensive trans-
28 portation program.

29 (3) The state hereby pledges and covenants with the holders of any
30 bonds issued pursuant to the provisions of this section, that it will not
31 limit or alter the rights or powers vested in the authority by this section,
32 nor limit or alter the rights or powers of the authority, the department of
33 administration or the Kansas department of transportation, in any manner
34 which would jeopardize the interest of the holders or any trustee of such
35 holders or inhibit or prevent performance or fulfillment by the authority,
36 the department of administration or the Kansas department of transpor-
37 tation with respect to the terms of any agreement made with the holders
38 of the bonds or agreements made pursuant to this section, except that
39 the failure of the legislature to appropriate moneys for any purpose shall
40 not be deemed a violation of this pledge and covenant. The department
41 of administration is hereby specifically authorized to include this pledge
42 and covenant in any agreement with the authority. The authority is hereby
43 specifically authorized to include this pledge and covenant in any bond

1 resolution, trust indenture or agreement for the benefit of holders of the
2 bonds.

3 (4) Revenue bonds may be issued pursuant to this section without
4 obtaining the consent of any department, division, commission, board or
5 agency of the state, other than the approvals of the state finance council
6 required by this section, and without any other proceedings or the oc-
7 currence of any other conditions or other things other than those pro-
8 ceedings, conditions or things which are specifically required by the Kan-
9 sas development finance authority act.

10 (c) The department of administration and the authority are author-
11 ized to enter into one or more contracts to implement the payment ar-
12 rangement that is provided for in this section. The contract or contracts
13 shall provide for payment of the amounts required to be paid pursuant
14 to this section and shall set forth the procedure for the transfer of moneys
15 for the purpose of paying such moneys. The contract or contracts shall
16 contain such terms and conditions including principal amount, interest
17 rates and final maturity as shall be approved by resolution of the state
18 finance council and shall include, but not be limited to, terms and con-
19 ditions necessary or desirable to provide for repayment of and to secure
20 any bonds of the authority issued pursuant to this section.

21 (d) In addition to the bonds authorized under subsection (a), if the
22 incremental increases in the amount of federal funds estimated to be
23 available to fund the comprehensive transportation program projects for
24 state fiscal years 2005 through 2009 by the congressional reauthorization
25 of the federal highway program are less than the anticipated federal re-
26 ceipts, the Kansas development finance authority is authorized to issue
27 one or more series of revenue bonds pursuant to the Kansas development
28 finance authority act, K.S.A. 74-8901 et seq., and amendments thereto.
29 Such bonds shall be in an amount necessary to provide a deposit or de-
30 posits in a total amount not to exceed the lesser of the federal shortfall
31 or \$60,000,000 to the state highway fund. The purpose of such bonds
32 shall be to off-set shortfalls in anticipated federal receipts. The issuance
33 of such bonds shall be approved by resolution of the state finance council
34 and shall be issued in accordance with the provisions of this section.

35 No bonds shall be issued pursuant to this subsection prior to the review
36 and recommendation to the state finance council of such issuance by the
37 legislative budget committee.

38 (e) The approvals by the state finance council required by subsection
39 (a), (c) and (d) are hereby characterized as matters of legislative delega-
40 tion and subject to the guidelines prescribed in subsection (c) of K.S.A.
41 75-3711c, and amendments thereto. Such approvals may be given by the
42 state finance council when the legislature is in session.

43 (f) Except for bonds authorized under subsection (d), no bonds shall

1 be issued pursuant to this section prior to the review of and recommen-
 2 dation to the state finance council of such issuance by the standing com-
 3 mittees on transportation of the house of representatives and the senate.

4 Sec. 33. K.S.A. 2009 Supp. 75-5063 is hereby amended to read as
 5 follows: 75-5063. The secretary of transportation is hereby authorized to
 6 establish a transportation revolving fund to provide assistance to govern-
 7 mental units for transportation projects. *The secretary may authorize the*
 8 *creation of separate accounts within the transportation revolving fund*
 9 *with respect to major highway enhancement projects.*

10 Sec. 34. K.S.A. 2009 Supp. 75-5064 is hereby amended to read as
 11 follows: 75-5064. As used in K.S.A. 2009 Supp. 75-5063 through 75-5069,
 12 *and amendments thereto:*

13 (a) “Cost” means as applied to any qualified project, any or all costs,
 14 whenever incurred, approved by the department, for carrying out a qual-
 15 ified project;

16 (b) “department” means the Kansas department of transportation es-
 17 tablished under K.S.A. 75-5001, and amendments thereto;

18 (c) “fund” means the Kansas transportation revolving fund estab-
 19 lished by K.S.A. 2009 Supp. 75-5066, *and amendments thereto, including*
 20 *one or more of the separate accounts within such fund;*

21 (d) “governmental unit” means any town, city, district, county, com-
 22 mission, agency, authority, board or other instrumentality of the state or
 23 of any of its political subdivisions, including any combination thereof,
 24 which is responsible for the construction, ownership or operation of a
 25 qualified project;

26 (e) “major highway enhancement project” means a highway project
 27 determined by the secretary to be of local, regional or statewide economic
 28 significance, including, but not limited to, the construction of new high-
 29 ways, construction of additional traffic lanes, improved access control,
 30 corridor improvements, construction, reconstruction or improvement of
 31 highway interchanges that have not been developed, have been under-
 32 developed or are unlikely to be developed in the absence of governmental
 33 assistance;

34 ~~(f)~~ (f) “private enterprise” means a private person or entity that has
 35 entered into a contract with a public authority to design, finance, con-
 36 struct and/or operate a qualified project that is within the jurisdiction of
 37 such public authority;

38 ~~(g)~~ (g) “project” means the acquisition, construction, improvement,
 39 repair, rehabilitation, maintenance or extension of transportation ~~facilities~~
 40 *projects;*

41 ~~(h)~~ (h) “project costs” means all costs or expenses which are necessary
 42 or incident to a project and which are directly attributable thereto;

43 ~~(i)~~ (i) “project revenues” means all rates, rents, fees, assessments,

1 charges and other receipts derived or to be derived by a qualified bor-
 2 rower from a qualified project;

3 ~~(j)~~ (j) “qualified borrower” means any governmental unit or private
 4 enterprise which is authorized to construct, operate or own a qualified
 5 project;

6 ~~(k)~~ (k) “qualified project” means any public or private transportation
 7 project, including, without limitation, the construction, reconstruction,
 8 resurfacing, restoration, rehabilitation or replacement of public or private
 9 transportation ~~facilities~~ *projects* within the state;

10 ~~(l)~~ (l) “revenues” means when used with respect to the department,
 11 any receipts, fees, revenues or other payments received or to be received
 12 by the department under K.S.A. 2009 Supp. 75-5063 through 75-5069,
 13 *and amendments thereto*;

14 ~~(m)~~ (m) “secretary” means the secretary of the Kansas department of
 15 transportation;

16 ~~(n)~~ (n) “transportation project” means any bridge, culvert, highway,
 17 road, street, *major highway enhancement project* or combination thereof.

18 Sec. 35. K.S.A. 2009 Supp. 75-5160 is hereby amended to read as
 19 follows: 75-5160. (a) In addition to any registration fee prescribed under
 20 article 1 of chapter 8 of the Kansas Statutes Annotated, and amendments
 21 thereto, all applicants for vehicle registration shall pay at the time of
 22 registration a nonrefundable division of vehicles modernization surcharge
 23 in the amount of \$4 for each vehicle being registered.

24 (b) *Until January 1, 2013*, the provisions of this section shall not apply
 25 to vehicles registered under K.S.A. 8-1,100 through 8-1,123 and K.S.A.
 26 2008 Supp. 8-1,123a, and amendments thereto. *On and after January 1,*
 27 *2013, the provisions of this section shall apply to such vehicles.*

28 ~~(c) The provisions of this section shall expire on January 1, 2013.~~

29 Sec. 36. K.S.A. 2009 Supp. 79-3408c is hereby amended to read as
 30 follows: 79-3408c. (a) A tax is hereby imposed on the use, sale or delivery
 31 of all motor-vehicle fuel or special fuel owned at 12:01 a.m. ~~July 1, 1999~~
 32 *January 1, 2010*, and on ~~July~~ *January* 1 of each year thereafter, by any
 33 licensed distributor or licensed retailer at a rate per gallon, or fraction
 34 thereof, equal to the amount, if any, by which the tax per gallon, or frac-
 35 tion thereof, in effect on such date as prescribed by K.S.A. 79-3408, and
 36 amendments thereto, exceeds the rate of tax upon such motor-vehicle
 37 fuel or special fuel which was in effect on the preceding day. Such tax
 38 shall be paid by the licensed distributor or licensed retailer owning such
 39 motor-vehicle fuel or special fuel at such time and date. On or before the
 40 25th day of the month in which a tax is imposed under this section, every
 41 such distributor and retail dealer shall make a report to the director on a
 42 form prescribed and furnished by the director showing the total number
 43 of gallons, or fraction thereof, of such motor-vehicle fuel or special fuel

1 owned at the time the tax is imposed under this section and such report
2 shall be accompanied by a remittance of the tax due.

3 Any licensed distributor or licensed retailer who shall fail to make such
4 report or pay such tax, within the time prescribed, shall be subject to the
5 same penalties and interest charges prescribed by the motor-vehicle fuel
6 or special fuel tax law for failure of a licensed distributor to make monthly
7 reports and payments of motor-vehicle fuel or special fuel tax. The pro-
8 visions of the motor-fuel tax law relating to remedies for the collection of
9 delinquent motor-fuel taxes from distributors shall apply to the collection
10 of taxes imposed by this section which have become delinquent from
11 licensed distributors and licensed retailers. All taxes, penalties and inter-
12 est collected by the director under the tax imposed by this section shall
13 be remitted by the director to the state treasurer in accordance with the
14 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of
15 each such remittance, the state treasurer shall deposit the entire amount
16 in the state treasury to the credit of the funds and in the amounts specified
17 in K.S.A. 79-34,142, and amendments thereto.

18 (b) Whenever the rate of tax upon motor-vehicle fuels or special fuels
19 fixed pursuant to K.S.A. 79-3408, and amendments thereto, which be-
20 come effective on ~~July 1, 1999~~ *January 1, 2010*, or on ~~July~~ *January* 1 in
21 any year thereafter is less than the rate of tax upon such fuel in effect on
22 the preceding day, the licensed distributor or licensed retailer owning
23 such fuel at 12:01 a.m. on the date such reduction in taxes becomes
24 effective shall be entitled to a refund of taxes paid upon such fuel in an
25 amount equal to the amount by which taxes were reduced from the
26 amount of motor-vehicle fuels or special fuels taxes per gallon, or fraction
27 thereof, actually paid upon each gallon, or fraction thereof, of motor-
28 vehicle fuels or special fuels multiplied by the number of gallons of motor-
29 vehicle fuels or special fuels owned by the distributor or dealer on such
30 date. On or before the 25th day of the month in which such tax is reduced,
31 every such distributor and retailer shall make a report to the director on
32 a form prescribed and furnished by the director showing the total number
33 of gallons of such motor-vehicle fuel or special fuel owned by such dis-
34 tributor or retailer at 12:01 a.m. on the date upon which such tax was
35 reduced. It shall be the duty of the director of taxation to examine all
36 such claims and determine the amount to which each claimant is entitled.
37 In the event any distributor or retailer entitled to such refund shall owe
38 the state any motor-vehicle fuel or special fuel tax, penalties, or interest,
39 the refund authorized by this section shall upon being determined by the
40 director be credited upon the amount of such taxes, penalties and interest.
41 Whenever the director shall determine that any distributor or retailer
42 shall be entitled to a refund under any of the provisions of this section,
43 and such refund cannot be effected by giving credit therefor, as herein-

1 before provided, or against the future motor-vehicle fuel or special fuel
2 tax liability of such taxpayer the director shall certify the amount of the
3 refund to the state director of accounts and reports, who shall draw a
4 warrant for the amount so certified on the state treasurer in favor of the
5 distributor or retailer entitled to such refund, and mail, or otherwise de-
6 liver, the same to the distributor entitled thereto. Such warrant shall be
7 paid by the state treasurer to such distributor or retailer from the motor-
8 vehicle fuel or special fuel tax refund fund.

9 (c) The provisions of this section shall not apply to any licensed re-
10 tailer who is a native American whose licensed place of business or busi-
11 nesses are located on such retailer's reservation, nor to any native Amer-
12 ican tribes having licensed places of business or businesses located on
13 such tribe's reservation.

14 Sec. 37. K.S.A. 2009 Supp. 79-3491a is hereby amended to read as
15 follows: 79-3491a. (a) A tax is hereby imposed on all LP-gas motor fuels
16 owned at 12:01 a.m. ~~July 1, 1999~~ *January 1, 2010*, and on ~~July~~ *January* 1
17 of each year thereafter, by any LP-gas motor fuels user or LP-gas motor
18 fuels dealer at a rate per gallon, or fraction thereof, equal to the amount,
19 if any, by which the tax per gallon, or fraction thereof, in effect on such
20 date as prescribed by K.S.A. 79-3492, and amendments thereto, exceeds
21 the rate of tax per gallon actually paid upon such fuel. Such tax shall be
22 paid by the LP-gas motor fuel user or LP-gas motor fuel dealer owning
23 such LP-gas motor fuels at such time and date. On or before the 25th
24 day of the month in which such tax is imposed under this section, every
25 such LP-gas motor fuel user and LP-gas motor fuel dealer shall make a
26 report to the director on a form prescribed and furnished by the director
27 showing the total number of gallons, or fraction thereof, of such LP-gas
28 motor fuels owned by the user or dealer at the time the tax is imposed
29 under this section, and such report shall be accompanied by a remittance
30 of the tax due.

31 Any LP-gas motor fuels user or LP-gas motor fuels dealer who shall
32 fail to make such report or pay such tax, within the time prescribed, shall
33 be subject to the same penalties and interest charges prescribed by the
34 liquefied petroleum motor fuel tax law for failure of a licensed distributor
35 to make monthly reports and payments of LP-gas motor fuel tax. The
36 provisions of the liquefied petroleum motor fuel tax law relating to rem-
37 edies for the collection of delinquent LP-motor fuel taxes from distrib-
38 utors shall apply to the collection of taxes imposed by this section which
39 have become delinquent from LP-gas motor fuels users and LP-gas motor
40 fuels dealers. All taxes, penalties and interest collected by the director
41 under the tax imposed by this section shall be remitted by the director
42 to the state treasurer in accordance with the provisions of K.S.A. 75-4215,
43 and amendments thereto. Upon receipt of each such remittance, the state

1 treasurer shall deposit the entire amount in the state treasury to the credit
2 of the funds and in the amounts specified in K.S.A. 79-34,142, and
3 amendments thereto.

4 The words and phrases used in this section shall have the meanings
5 ascribed to them in K.S.A. 79-3490, and amendments thereto.

6 (b) Whenever the rate of tax upon LP-gas motor fuels fixed pursuant
7 to K.S.A. 79-3492, and amendments thereto, which becomes effective on
8 ~~July 1, 1999~~ *January 1, 2010*, or on ~~July~~ *January* 1 in any year thereafter,
9 is less than the rate of tax upon such fuels in effect on the preceding day,
10 the user or dealer owning such fuels at 12:01 a.m. on the date such re-
11 duction in taxes becomes effective shall be entitled to a refund of taxes
12 paid upon such fuels in an amount equal to the amount by which taxes
13 were reduced from the amount of tax per gallon, or fraction thereof,
14 actually paid upon each gallon, or fraction thereof, of LP-gas motor fuels
15 multiplied by the number of gallons of fuel owned by the user or dealer
16 on such date. On or before the 25th day of the month in which such tax
17 is reduced, every such user or dealer shall make a report to the director
18 on a form prescribed and furnished by the director showing the total
19 number of gallons of such LP-gas motor fuels owned by such user or
20 dealer at 12:01 a.m. on the date upon which such tax was reduced. It shall
21 be the duty of the director of taxation to examine all such claims and
22 determine the amount to which any claimant is entitled. In the event any
23 user or dealer entitled to such refund shall owe the state any LP-gas motor
24 fuels tax, penalties or interest, the refund authorized by this section shall
25 upon being determined by the director be credited upon the amount of
26 such taxes, penalties and interest. Whenever the director shall determine
27 that any user or dealer shall be entitled to a refund under any of the
28 provisions of this section, and such refund cannot be effected by giving
29 credit therefor, as hereinbefore provided, or against the future LP-gas
30 motor fuel tax liability of such taxpayer the director shall certify the
31 amount of the refund to the state director of accounts and reports, who
32 shall draw a warrant for the amount so certified on the state treasurer in
33 favor of the user or dealer entitled to such refund, and mail, or otherwise
34 deliver, the same to the user or dealer entitled thereto. Such warrant shall
35 be paid by the state treasurer to such user or dealer from the LP-gas
36 motor fuels tax refund fund which is hereby established in the state treas-
37 ury.

38 (c) A fund designated as the LP-gas motor fuels tax refund fund not
39 to exceed \$1,000,000 shall be set apart and maintained by the director of
40 taxation from the LP-gas motor fuels tax collected under the provisions
41 of article 34 of chapter 79 of Kansas Statutes Annotated, and amendments
42 thereto, and held by the state treasurer for the payment of all refunds
43 authorized by this section.

1 Sec. 38. K.S.A. 2009 Supp. 79-3492b is hereby amended to read as
2 follows: 79-3492b. Alternatively to the methods otherwise set forth in this
3 act, special LP-gas permit users operating motor vehicles on the public
4 highways of this state may upon application to the director on forms
5 prescribed by the director elect to pay taxes in advance on LP-gas for
6 each and every motor vehicle owned or operated by them and propelled
7 in whole or in part with LP-gas during the calendar year and thereafter
8 to purchase LP-gas tax free in lieu of securing a bonded user's permit
9 and filing monthly reports and tax payments and keeping the records
10 otherwise provided for in this act. The amount of such tax for each motor
11 vehicle shall, except as otherwise provided, be based upon the gross
12 weight of the motor vehicle and the number of miles it was operated on
13 the public highways of this state during the previous year pursuant to the
14 following schedules:

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(a) On and after July 1, 2002, until July 1, 2003:

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| Class A: 3,000 pounds or less | less than 5,000 miles | \$44.00 | \$88.00 | 5,000 to 10,000 miles | \$88.00 | 10,001 to 15,000 miles | \$132.00 | 15,001 to 19,999 miles | \$176.00 | 20,000 to 29,999 miles | \$264.00 | 30,000 to 39,999 miles | \$352.00 | 40,000 to 49,999 miles | \$440.00 |
| Class B: more than 3,000 pounds and not more than 4,500 pounds | | \$75.00 | \$150.00 | | | \$225.00 | | | | | | | | | |
| Class C: more than 4,500 pounds and not more than 12,000 pounds | | \$91.00 | \$181.00 | | | \$273.00 | | | | | | | | | |
| Class D: more than 12,000 pounds and not more than 16,000 pounds | | \$123.00 | \$246.00 | | | \$369.00 | | | | | | | | | |
| Class E: more than 16,000 pounds and not more than 24,000 pounds | | \$158.00 | \$316.00 | | | \$474.00 | | | | | | | | | |
| Class F: more than 24,000 pounds and not more than 36,000 pounds | | \$220.00 | \$440.00 | | | \$660.00 | | | | | | | | | |
| Class G: more than 36,000 pounds and not more than 48,000 pounds | | \$273.00 | \$546.00 | | | \$819.00 | | | | | | | | | |
| Class H: more than 48,000 pounds | | \$368.00 | \$736.00 | | | \$1,104.00 | | | | | | | | | |

Class I: transit carrier vehicles operated by transit companies
 Class J: motor vehicles designed for carrying fewer than 10 passengers and used for the transportation of persons for compensation.

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(b) On and after July 1, 2003, until July 1, 2020 (a) Prior to January 1, 2013:

| | less than 5,000 miles | 5,000 to 10,000 miles | 10,001 to 15,000 miles | 15,001 to 19,999 miles | 20,000 to 29,999 miles | 30,000 to 39,999 miles | 40,000 to 49,999 miles |
|--|--------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Class A: 3,000 pounds or less | \$46.00 | \$92.00 | \$138.00 | \$184.00 | \$276.00 | \$368.00 | \$460.00 |
| Class B: more than 3,000 pounds and not more than 4,500 pounds | \$78.00 | \$156.00 | \$234.00 | \$312.00 | \$468.00 | \$624.00 | \$780.00 |
| Class C: more than 4,500 pounds and not more than 12,000 pounds | \$95.00 | \$189.00 | \$285.00 | \$380.00 | \$570.00 | \$760.00 | \$950.00 |
| Class D: more than 12,000 pounds and not more than 16,000 pounds | \$129.00 | \$258.00 | \$387.00 | \$516.00 | \$774.00 | \$1,032.00 | \$1,290.00 |
| Class E: more than 16,000 pounds and not more than 24,000 pounds | \$165.00 | \$330.00 | \$495.00 | \$660.00 | \$990.00 | \$1,320.00 | \$1,650.00 |
| Class F: more than 24,000 pounds and not more than 36,000 pounds | \$230.00 | \$460.00 | \$690.00 | \$920.00 | \$1,380.00 | \$1,840.00 | \$2,300.00 |
| Class G: more than 36,000 pounds and not more than 48,000 pounds | \$285.00 | \$570.00 | \$855.00 | \$1,140.00 | \$1,710.00 | \$2,280.00 | \$2,850.00 |
| Class H: more than 48,000 pounds | \$384.00 | \$768.00 | \$1,152.00 | \$1,536.00 | \$2,304.00 | \$3,072.00 | \$3,840.00 |

Class I: transit carrier vehicles
operated by transit companies

Class J: motor vehicles designed
for carrying fewer than 10
passengers and used for the
transportation of persons for
compensation.

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(c) On and after July 1, 2020:

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| Class A: 3,000 pounds or less | less than 5,000 miles | \$34.00 | \$68.00 | \$102.00 | \$136.00 | \$170.00 | \$204.00 | \$238.00 | \$272.00 | \$306.00 | \$340.00 | \$374.00 | \$408.00 | \$442.00 | \$476.00 | \$510.00 | \$544.00 | \$578.00 | \$612.00 | \$646.00 | \$680.00 | \$714.00 | \$748.00 | \$782.00 | \$816.00 | \$850.00 | \$884.00 | \$918.00 | \$952.00 | \$986.00 | \$1,020.00 | \$1,054.00 | \$1,088.00 | \$1,122.00 | \$1,156.00 | \$1,190.00 | \$1,224.00 | \$1,258.00 | \$1,292.00 | \$1,326.00 | \$1,360.00 | \$1,394.00 | \$1,428.00 | \$1,462.00 | \$1,496.00 | \$1,530.00 | \$1,564.00 | \$1,598.00 | \$1,632.00 | \$1,666.00 | \$1,700.00 | \$1,734.00 | \$1,768.00 | \$1,802.00 | \$1,836.00 | \$1,870.00 | \$1,904.00 | \$1,938.00 | \$1,972.00 | \$2,006.00 | \$2,040.00 | \$2,074.00 | \$2,108.00 | \$2,142.00 | \$2,176.00 | \$2,210.00 | \$2,244.00 | \$2,278.00 | \$2,312.00 | \$2,346.00 | \$2,380.00 | \$2,414.00 | \$2,448.00 | \$2,482.00 | \$2,516.00 | \$2,550.00 | \$2,584.00 | \$2,618.00 | \$2,652.00 | \$2,686.00 | \$2,720.00 | \$2,754.00 | \$2,788.00 | \$2,822.00 | \$2,856.00 | \$2,890.00 | \$2,924.00 | \$2,958.00 | \$2,992.00 | \$3,026.00 | \$3,060.00 | \$3,094.00 | \$3,128.00 | \$3,162.00 | \$3,196.00 | \$3,230.00 | \$3,264.00 | \$3,298.00 | \$3,332.00 | \$3,366.00 | \$3,400.00 | \$3,434.00 | \$3,468.00 | \$3,502.00 | \$3,536.00 | \$3,570.00 | \$3,604.00 | \$3,638.00 | \$3,672.00 | \$3,706.00 | \$3,740.00 | \$3,774.00 | \$3,808.00 | \$3,842.00 | \$3,876.00 | \$3,910.00 | \$3,944.00 | \$3,978.00 | \$4,012.00 | \$4,046.00 | \$4,080.00 | \$4,114.00 | \$4,148.00 | \$4,182.00 | \$4,216.00 | \$4,250.00 | \$4,284.00 | \$4,318.00 | \$4,352.00 | \$4,386.00 | \$4,420.00 | \$4,454.00 | \$4,488.00 | \$4,522.00 | \$4,556.00 | \$4,590.00 | \$4,624.00 | \$4,658.00 | \$4,692.00 | \$4,726.00 | \$4,760.00 | \$4,794.00 | \$4,828.00 | \$4,862.00 | \$4,896.00 | \$4,930.00 | \$4,964.00 | \$5,000.00 | \$5,034.00 | \$5,068.00 | \$5,102.00 | \$5,136.00 | \$5,170.00 | \$5,204.00 | \$5,238.00 | \$5,272.00 | \$5,306.00 | \$5,340.00 | \$5,374.00 | \$5,408.00 | \$5,442.00 | \$5,476.00 | \$5,510.00 | \$5,544.00 | \$5,578.00 | \$5,612.00 | \$5,646.00 | \$5,680.00 | \$5,714.00 | \$5,748.00 | \$5,782.00 | \$5,816.00 | \$5,850.00 | \$5,884.00 | \$5,918.00 | \$5,952.00 | \$5,986.00 | \$6,020.00 | \$6,054.00 | \$6,088.00 | \$6,122.00 | \$6,156.00 | \$6,190.00 | \$6,224.00 | \$6,258.00 | \$6,292.00 | \$6,326.00 | \$6,360.00 | \$6,394.00 | \$6,428.00 | \$6,462.00 | \$6,496.00 | \$6,530.00 | \$6,564.00 | \$6,598.00 | \$6,632.00 | \$6,666.00 | \$6,700.00 | \$6,734.00 | \$6,768.00 | \$6,802.00 | \$6,836.00 | \$6,870.00 | \$6,904.00 | \$6,938.00 | \$6,972.00 | \$7,006.00 | \$7,040.00 | \$7,074.00 | \$7,108.00 | \$7,142.00 | \$7,176.00 | \$7,210.00 | \$7,244.00 | \$7,278.00 | \$7,312.00 | \$7,346.00 | \$7,380.00 | \$7,414.00 | \$7,448.00 | \$7,482.00 | \$7,516.00 | \$7,550.00 | \$7,584.00 | \$7,618.00 | \$7,652.00 | \$7,686.00 | \$7,720.00 | \$7,754.00 | \$7,788.00 | \$7,822.00 | \$7,856.00 | \$7,890.00 | \$7,924.00 | \$7,958.00 | \$7,992.00 | \$8,026.00 | \$8,060.00 | \$8,094.00 | \$8,128.00 | \$8,162.00 | \$8,196.00 | \$8,230.00 | \$8,264.00 | \$8,298.00 | \$8,332.00 | \$8,366.00 | \$8,400.00 | \$8,434.00 | \$8,468.00 | \$8,502.00 | \$8,536.00 | \$8,570.00 | \$8,604.00 | \$8,638.00 | \$8,672.00 | \$8,706.00 | \$8,740.00 | \$8,774.00 | \$8,808.00 | \$8,842.00 | \$8,876.00 | \$8,910.00 | \$8,944.00 | \$8,978.00 | \$9,012.00 | \$9,046.00 | \$9,080.00 | \$9,114.00 | \$9,148.00 | \$9,182.00 | \$9,216.00 | \$9,250.00 | \$9,284.00 | \$9,318.00 | \$9,352.00 | \$9,386.00 | \$9,420.00 | \$9,454.00 | \$9,488.00 | \$9,522.00 | \$9,556.00 | \$9,590.00 | \$9,624.00 | \$9,658.00 | \$9,692.00 | \$9,726.00 | \$9,760.00 | \$9,794.00 | \$9,828.00 | \$9,862.00 | \$9,896.00 | \$9,930.00 | \$9,964.00 | \$10,000.00 |
| Class B: more than 3,000 pounds and not more than 4,500 pounds | | \$58.00 | \$116.00 | \$173.00 | \$231.00 | \$289.00 | \$347.00 | \$405.00 | \$462.00 | \$520.00 | \$578.00 | \$636.00 | \$694.00 | \$752.00 | \$810.00 | \$868.00 | \$926.00 | \$984.00 | \$1,042.00 | \$1,100.00 | \$1,158.00 | \$1,216.00 | \$1,274.00 | \$1,332.00 | \$1,390.00 | \$1,448.00 | \$1,506.00 | \$1,564.00 | \$1,622.00 | \$1,680.00 | \$1,738.00 | \$1,796.00 | \$1,854.00 | \$1,912.00 | \$1,970.00 | \$2,028.00 | \$2,086.00 | \$2,144.00 | \$2,202.00 | \$2,260.00 | \$2,318.00 | \$2,376.00 | \$2,434.00 | \$2,492.00 | \$2,550.00 | \$2,608.00 | \$2,666.00 | \$2,724.00 | \$2,782.00 | \$2,840.00 | \$2,898.00 | \$2,956.00 | \$3,014.00 | \$3,072.00 | \$3,130.00 | \$3,188.00 | \$3,246.00 | \$3,304.00 | \$3,362.00 | \$3,420.00 | \$3,478.00 | \$3,536.00 | \$3,594.00 | \$3,652.00 | \$3,710.00 | \$3,768.00 | \$3,826.00 | \$3,884.00 | \$3,942.00 | \$3,999.00 | \$4,057.00 | \$4,115.00 | \$4,173.00 | \$4,231.00 | \$4,289.00 | \$4,347.00 | \$4,405.00 | \$4,463.00 | \$4,521.00 | \$4,579.00 | \$4,637.00 | \$4,695.00 | \$4,753.00 | \$4,811.00 | \$4,869.00 | \$4,927.00 | \$4,985.00 | \$5,043.00 | \$5,101.00 | \$5,159.00 | \$5,217.00 | \$5,275.00 | \$5,333.00 | \$5,391.00 | \$5,449.00 | \$5,507.00 | \$5,565.00 | \$5,623.00 | \$5,681.00 | \$5,739.00 | \$5,797.00 | \$5,855.00 | \$5,913.00 | \$5,971.00 | \$6,029.00 | \$6,087.00 | \$6,145.00 | \$6,203.00 | \$6,261.00 | \$6,319.00 | \$6,377.00 | \$6,435.00 | \$6,493.00 | \$6,551.00 | \$6,609.00 | \$6,667.00 | \$6,725.00 | \$6,783.00 | \$6,841.00 | \$6,899.00 | \$6,957.00 | \$7,015.00 | \$7,073.00 | \$7,131.00 | \$7,189.00 | \$7,247.00 | \$7,305.00 | \$7,363.00 | \$7,421.00 | \$7,479.00 | \$7,537.00 | \$7,595.00 | \$7,653.00 | \$7,711.00 | \$7,769.00 | \$7,827.00 | \$7,885.00 | \$7,943.00 | \$8,001.00 | \$8,059.00 | \$8,117.00 | \$8,175.00 | \$8,233.00 | \$8,291.00 | \$8,349.00 | \$8,407.00 | \$8,465.00 | \$8,523.00 | \$8,581.00 | \$8,639.00 | \$8,697.00 | \$8,755.00 | \$8,813.00 | \$8,871.00 | \$8,929.00 | \$8,987.00 | \$9,045.00 | \$9,103.00 | \$9,161.00 | \$9,219.00 | \$9,277.00 | \$9,335.00 | \$9,393.00 | \$9,451.00 | \$9,509.00 | \$9,567.00 | \$9,625.00 | \$9,683.00 | \$9,741.00 | \$9,799.00 | \$9,857.00 | \$9,915.00 | \$9,973.00 | \$10,031.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Class C: more than 4,500 pounds and not more than 12,000 pounds | | \$70.00 | \$140.00 | \$210.00 | \$280.00 | \$350.00 | \$420.00 | \$490.00 | \$560.00 | \$630.00 | \$700.00 | \$770.00 | \$840.00 | \$910.00 | \$980.00 | \$1,050.00 | \$1,120.00 | \$1,190.00 | \$1,260.00 | \$1,330.00 | \$1,400.00 | \$1,470.00 | \$1,540.00 | \$1,610.00 | \$1,680.00 | \$1,750.00 | \$1,820.00 | \$1,890.00 | \$1,960.00 | \$2,030.00 | \$2,100.00 | \$2,170.00 | \$2,240.00 | \$2,310.00 | \$2,380.00 | \$2,450.00 | \$2,520.00 | \$2,590.00 | \$2,660.00 | \$2,730.00 | \$2,800.00 | \$2,870.00 | \$2,940.00 | \$3,010.00 | \$3,080.00 | \$3,150.00 | \$3,220.00 | \$3,290.00 | \$3,360.00 | \$3,430.00 | \$3,500.00 | \$3,570.00 | \$3,640.00 | \$3,710.00 | \$3,780.00 | \$3,850.00 | \$3,920.00 | \$3,990.00 | \$4,060.00 | \$4,130.00 | \$4,200.00 | \$4,270.00 | \$4,340.00 | \$4,410.00 | \$4,480.00 | \$4,550.00 | \$4,620.00 | \$4,690.00 | \$4,760.00 | \$4,830.00 | \$4,900.00 | \$4,970.00 | \$5,040.00 | \$5,110.00 | \$5,180.00 | \$5,250.00 | \$5,320.00 | \$5,390.00 | \$5,460.00 | \$5,530.00 | \$5,600.00 | \$5,670.00 | \$5,740.00 | \$5,810.00 | \$5,880.00 | \$5,950.00 | \$6,020.00 | \$6,090.00 | \$6,160.00 | \$6,230.00 | \$6,300.00 | \$6,370.00 | \$6,440.00 | \$6,510.00 | \$6,580.00 | \$6,650.00 | \$6,720.00 | \$6,790.00 | \$6,860.00 | \$6,930.00 | \$7,000.00 | \$7,070.00 | \$7,140.00 | \$7,210.00 | \$7,280.00 | \$7,350.00 | \$7,420.00 | \$7,490.00 | \$7,560.00 | \$7,630.00 | \$7,700.00 | \$7,770.00 | \$7,840.00 | \$7,910.00 | \$7,980.00 | \$8,050.00 | \$8,120.00 | \$8,190.00 | \$8,260.00 | \$8,330.00 | \$8,400.00 | \$8,470.00 | \$8,540.00 | \$8,610.00 | \$8,680.00 | \$8,750.00 | \$8,820.00 | \$8,890.00 | \$8,960.00 | \$9,030.00 | \$9,100.00 | \$9,170.00 | \$9,240.00 | \$9,310.00 | \$9,380.00 | \$9,450.00 | \$9,520.00 | \$9,590.00 | \$9,660.00 | \$9,730.00 | \$9,800.00 | \$9,870.00 | \$9,940.00 | \$10,010.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Class D: more than 12,000 pounds and not more than 16,000 pounds | | \$95.00 | \$190.00 | \$285.00 | \$380.00 | \$475.00 | \$570.00 | \$665.00 | \$760.00 | \$855.00 | \$950.00 | \$1,045.00 | \$1,140.00 | \$1,235.00 | \$1,330.00 | \$1,425.00 | \$1,520.00 | \$1,615.00 | \$1,710.00 | \$1,805.00 | \$1,900.00 | \$1,995.00 | \$2,090.00 | \$2,185.00 | \$2,280.00 | \$2,375.00 | \$2,470.00 | \$2,565.00 | \$2,660.00 | \$2,755.00 | \$2,850.00 | \$2,945.00 | \$3,040.00 | \$3,135.00 | \$3,230.00 | \$3,325.00 | \$3,420.00 | \$3,515.00 | \$3,610.00 | \$3,705.00 | \$3,800.00 | \$3,895.00 | \$3,990.00 | \$4,085.00 | \$4,180.00 | \$4,275.00 | \$4,370.00 | \$4,465.00 | \$4,560.00 | \$4,655.00 | \$4,750.00 | \$4,845.00 | \$4,940.00 | \$5,035.00 | \$5,130.00 | \$5,225.00 | \$5,320.00 | \$5,415.00 | \$5,510.00 | \$5,605.00 | \$5,700.00 | \$5,795.00 | \$5,890.00 | \$5,985.00 | \$6,080.00 | \$6,175.00 | \$6,270.00 | \$6,365.00 | \$6,460.00 | \$6,555.00 | \$6,650.00 | \$6,745.00 | \$6,840.00 | \$6,935.00 | \$7,030.00 | \$7,125.00 | \$7,220.00 | \$7,315.00 | \$7,410.00 | \$7,505.00 | \$7,600.00 | \$7,695.00 | \$7,790.00 | \$7,885.00 | \$7,980.00 | \$8,075.00 | \$8,170.00 | \$8,265.00 | \$8,360.00 | \$8,455.00 | \$8,550.00 | \$8,645.00 | \$8,740.00 | \$8,835.00 | \$8,930.00 | \$9,025.00 | \$9,120.00 | \$9,215.00 | \$9,310.00 | \$9,405.00 | \$9,500.00 | \$9,595.00 | \$9,690.00 | \$9,785.00 | \$9,880.00 | \$9,975.00 | \$10,070.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Class E: more than 16,000 pounds and not more than 24,000 pounds | | \$122.00 | \$244.00 | \$366.00 | \$488.00 | \$610.00 | \$732.00 | \$854.00 | \$976.00 | \$1,098.00 | \$1,220.00 | \$1,342.00 | \$1,464.00 | \$1,586.00 | \$1,708.00 | \$1,830.00 | \$1,952.00 | \$2,074.00 | \$2,196.00 | \$2,318.00 | \$2,440.00 | \$2,562.00 | \$2,684.00 | \$2,806.00 | \$2,928.00 | \$3,050.00 | \$3,172.00 | \$3,294.00 | \$3,416.00 | \$3,538.00 | \$3,660.00 | \$3,782.00 | \$3,904.00 | \$4,026.00 | \$4,148.00 | \$4,270.00 | \$4,392.00 | \$4,514.00 | \$4,636.00 | \$4,758.00 | \$4,880.00 | \$5,002.00 | \$5,124.00 | \$5,246.00 | \$5,368.00 | \$5,490.00 | \$5,612.00 | \$5,734.00 | \$5,856.00 | \$5,978.00 | \$6,100.00 | \$6,222.00 | \$6,344.00 | \$6,466.00 | \$6,588.00 | \$6,710.00 | \$6,832.00 | \$6,954.00 | \$7,076.00 | \$7,198.00 | \$7,320.00 | \$7,442.00 | \$7,564.00 | \$7,686.00 | \$7,808.00 | \$7,930.00 | \$8,052.00 | \$8,174.00 | \$8,296.00 | \$8,418.00 | \$8,540.00 | \$8,662.00 | \$8,784.00 | \$8,906.00 | \$9,028.00 | \$9,150.00 | \$9,272.00 | \$9,394.00 | \$9,516.00 | \$9,638.00 | \$9,760.00 | \$9,882.00 | \$10,004.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Class F: more than 24,000 pounds and not more than 36,000 pounds | | \$170.00 | \$340.00 | \$510.00 | \$680.00 | \$850.00 | \$1,020.00 | \$1,190.00 | \$1,360.00 | \$1,530.00 | \$1,700.00 | \$1,870.00 | \$2,040.00 | \$2,210.00 | \$2,380.00 | \$2,550.00 | \$2,720.00 | \$2,890.00 | \$3,060.00 | \$3,230.00 | \$3,400.00 | \$3,570.00 | \$3,740.00 | \$3,910.00 | \$4,080.00 | \$4,250.00 | \$4,420.00 | \$4,590.00 | \$4,760.00 | \$4,930.00 | \$5,100.00 | \$5,270.00 | \$5,440.00 | \$5,610.00 | \$5,780.00 | \$5,950.00 | \$6,120.00 | \$6,290.00 | \$6,460.00 | \$6,630.00 | \$6,800.00 | \$6,970.00 | \$7,140.00 | \$7,310.00 | \$7,480.00 | \$7,650.00 | \$7,820.00 | \$7,990.00 | \$8,160.00 | \$8,330.00 | \$8,500.00 | \$8,670.00 | \$8,840.00 | \$9,010.00 | \$9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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(b) On and after January 1, 2013:

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|--|--------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Class A: 3,000 pounds or less | less than 5,000 miles | 5,000 to 10,000 miles | 10,001 to 15,000 miles | 15,001 to 19,999 miles | 20,000 to 29,999 miles | 30,000 to 39,999 miles | 40,000 to 49,999 miles |
| | \$36.00 | \$72.00 | \$108.00 | \$144.00 | \$216.00 | \$288.00 | \$360.00 |
| Class B: more than 3,000 pounds and not more than 4,500 pounds | \$61.00 | \$122.00 | \$183.00 | \$244.00 | \$366.00 | \$488.00 | \$610.00 |
| Class C: more than 4,500 pounds and not more than 12,000 pounds | \$74.00 | \$148.00 | \$223.00 | \$297.00 | \$446.00 | \$595.00 | \$743.00 |
| Class D: more than 12,000 pounds and not more than 16,000 pounds | \$101.00 | \$202.00 | \$303.00 | \$404.00 | \$606.00 | \$808.00 | \$1,010.00 |
| Class E: more than 16,000 pounds and not more than 24,000 pounds | \$129.00 | \$258.00 | \$387.00 | \$517.00 | \$775.00 | \$1,033.00 | \$1,291.00 |
| Class F: more than 24,000 pounds and not more than 36,000 pounds | \$180.00 | \$360.00 | \$540.00 | \$720.00 | \$1,080.00 | \$1,440.00 | \$1,800.00 |
| Class G: more than 36,000 pounds and not more than 48,000 pounds | \$223.00 | \$446.00 | \$669.00 | \$892.00 | \$1,338.00 | \$1,784.00 | \$2,230.00 |
| Class H: more than 48,000 pounds | \$301.00 | \$601.00 | \$902.00 | \$1,202.00 | \$1,803.00 | \$2,404.00 | \$3,005.00 |

Class I:
transit carrier vehicles operated by transit companies

Class J:
motor vehicles designed for carrying fewer than 10
passengers and used for the transportation of persons
for compensation.

1 In the event any additional motor vehicles equipped to use LP-gas as a
2 fuel are placed in operation by a special LP-gas permit user after the first
3 month of any calendar year, a tax shall become due and payable to this
4 state and is hereby imposed at the tax rate prescribed herein prorated on
5 the basis of the weight and mileage for the months operated in the cal-
6 endar year. The director shall issue special permit decals for each motor
7 vehicle on which taxes have been paid in advance as provided herein,
8 which shall be affixed on each such vehicle in the manner prescribed by
9 the director.

10 Sec. 39. K.S.A. 2009 Supp. 79-34,118 is hereby amended to read as
11 follows: 79-34,118. Upon application to the director of taxation and pay-
12 ment of the fee prescribed under this section any interstate motor fuel
13 user may obtain a 24-hour motor fuel permit or a 72-hour motor fuel
14 permit which shall authorize one commercial motor vehicle to be oper-
15 ated for a period of 24-hours or 72-hours, respectively, without compli-
16 ance with the other provisions of the interstate motor fuel use act and in
17 lieu of the tax imposed by K.S.A. 79-34,109 and amendments thereto.
18 The fee for each 24-hour motor fuel permit issued under this section shall
19 be \$13 *until January 1, 2013, and then \$10.50 thereafter*. The fee for
20 each 72-hour motor fuel permit issued under this section shall be \$25
21 *until January 1, 2013, and then \$22.50 thereafter*. Motor fuel permits
22 may be purchased in multiples of three upon making proper application
23 and payment of the required fees. The secretary of revenue shall adopt
24 rules and regulations specifying the conditions under which motor fuel
25 permits will be issued and providing for the issuance thereof. The sec-
26 retary may designate agents or contract with private individuals, firms or
27 corporations to issue such motor fuel permits so that such permits will
28 be obtainable at convenient locations.

29 Sec. 40. K.S.A. 2009 Supp. 79-34,141 is hereby amended to read as
30 follows: 79-34,141. (a) On and after January 1, 2007, ~~until July 1, 2020~~
31 *through December 31, 2012*, the tax imposed under this act shall be not
32 less than:

33 (1) On motor-vehicle fuels other than E85 fuels, \$.24 per gallon, or
34 fraction thereof;

35 (2) on special fuels, \$.26 per gallon, or fraction thereof;

36 (3) on LP-gas, \$.23 per gallon, or fraction thereof; and

37 (4) on E85 fuels, \$.17 per gallon, or fraction thereof.

38 (b) On and after ~~July 1, 2020~~ *January 1, 2013*, the tax rates imposed
39 under this act shall be not less than:

40 (1) On motor-vehicle fuels other than E85 fuels, ~~\$.18~~ *\$.19* per gallon,
41 or fraction thereof;

42 (2) on special fuels, ~~\$.20~~ *\$.21* per gallon, or fraction thereof;

43 (3) on LP-gas, ~~\$.17~~ *\$.18* per gallon, or fraction thereof; and

1 (4) on E85 fuels, ~~\$.11~~ \$.12 per gallon, or fraction thereof.

2 Sec. 41. K.S.A. 2009 Supp. 79-34,142 is hereby amended to read as

3 follows: 79-34,142. (a) ~~On and after July 1, 2002, until July 1, 2003, the~~

4 ~~state treasurer shall credit amounts received pursuant to K.S.A. 79-3408,~~

5 ~~79-3408c, 79-3491a, 79-3492 and 79-34,118 and amendments thereto as~~

6 ~~follows: To the state highway fund 64.6% and to the special city and~~

7 ~~county highway fund 35.4%.~~

8 ~~(b) On and after July 1, 2003, until July 1, 2020, The state treasurer~~

9 ~~shall credit amounts received pursuant to K.S.A. 79-3408, 79-3408c, 79-~~

10 ~~3491a, 79-3492 and 79-34,118, and amendments thereto, as follows: To~~

11 ~~the state highway fund 66.37% and to the special city and county highway~~

12 ~~fund 33.63%.~~

13 ~~(c) On and after July 1, 2020, the state treasurer shall credit amounts~~

14 ~~received pursuant to K.S.A. 79-3408, 79-3408c, 79-3491a, 79-3492 and~~

15 ~~79-34,118 and amendments thereto as follows: To the state highway fund~~

16 ~~55.3% and to the special city and county highway fund 44.7%.~~

17 Sec. 42. K.S.A. 2009 Supp. 79-3606 is hereby amended to read as

18 follows: 79-3606. The following shall be exempt from the tax imposed by

19 this act:

20 (a) All sales of ~~motor-vehicle fuel~~ *tangible personal property, services*

21 *or other articles upon which a sales or excise tax has been paid, including*

22 *motor-vehicle fuels until December 31, 2012*, not subject to refund, under

23 the laws of this state, except cigarettes as defined by K.S.A. 79-3301 and

24 amendments thereto, cereal malt beverages and malt products as defined

25 by K.S.A. 79-3817 and amendments thereto, including wort, liquid malt,

26 malt syrup and malt extract, which is not subject to taxation under the

27 provisions of K.S.A. 79-41a02 and amendments thereto, motor vehicles

28 taxed pursuant to K.S.A. 79-5117, and amendments thereto, tires taxed

29 pursuant to K.S.A. 65-3424d, and amendments thereto, drycleaning and

30 laundry services taxed pursuant to K.S.A. 65-34,150, and amendments

31 thereto, ~~and~~ gross receipts from regulated sports contests taxed pursuant

32 to the Kansas professional regulated sports act, and amendments thereto,

33 *and beginning January 1, 2013, motor-vehicle fuels taxed pursuant to 79-*

34 *3401 et seq., and amendments thereto;*

35 (b) all sales of tangible personal property or service, including the

36 renting and leasing of tangible personal property, purchased directly by

37 the state of Kansas, a political subdivision thereof, other than a school or

38 educational institution, or purchased by a public or private nonprofit hos-

39 pital or public hospital authority or nonprofit blood, tissue or organ bank

40 and used exclusively for state, political subdivision, hospital or public hos-

41 pital authority or nonprofit blood, tissue or organ bank purposes, except

42 when: (1) Such state, hospital or public hospital authority is engaged or

43 proposes to engage in any business specifically taxable under the provi-

1 sions of this act and such items of tangible personal property or service
2 are used or proposed to be used in such business, or (2) such political
3 subdivision is engaged or proposes to engage in the business of furnishing
4 gas, electricity or heat to others and such items of personal property or
5 service are used or proposed to be used in such business;

6 (c) all sales of tangible personal property or services, including the
7 renting and leasing of tangible personal property, purchased directly by
8 a public or private elementary or secondary school or public or private
9 nonprofit educational institution and used primarily by such school or
10 institution for nonsectarian programs and activities provided or sponsored
11 by such school or institution or in the erection, repair or enlargement of
12 buildings to be used for such purposes. The exemption herein provided
13 shall not apply to erection, construction, repair, enlargement or equip-
14 ment of buildings used primarily for human habitation;

15 (d) all sales of tangible personal property or services purchased by a
16 contractor for the purpose of constructing, equipping, reconstructing,
17 maintaining, repairing, enlarging, furnishing or remodeling facilities for
18 any public or private nonprofit hospital or public hospital authority, public
19 or private elementary or secondary school, a public or private nonprofit
20 educational institution, state correctional institution including a privately
21 constructed correctional institution contracted for state use and owner-
22 ship, which would be exempt from taxation under the provisions of this
23 act if purchased directly by such hospital or public hospital authority,
24 school, educational institution or a state correctional institution; and all
25 sales of tangible personal property or services purchased by a contractor
26 for the purpose of constructing, equipping, reconstructing, maintaining,
27 repairing, enlarging, furnishing or remodeling facilities for any political
28 subdivision of the state or district described in subsection (s), the total
29 cost of which is paid from funds of such political subdivision or district
30 and which would be exempt from taxation under the provisions of this
31 act if purchased directly by such political subdivision or district. Nothing
32 in this subsection or in the provisions of K.S.A. 12-3418 and amendments
33 thereto, shall be deemed to exempt the purchase of any construction
34 machinery, equipment or tools used in the constructing, equipping, re-
35 constructing, maintaining, repairing, enlarging, furnishing or remodeling
36 facilities for any political subdivision of the state or any such district. As
37 used in this subsection, K.S.A. 12-3418 and 79-3640, and amendments
38 thereto, "funds of a political subdivision" shall mean general tax revenues,
39 the proceeds of any bonds and gifts or grants-in-aid. Gifts shall not mean
40 funds used for the purpose of constructing, equipping, reconstructing,
41 repairing, enlarging, furnishing or remodeling facilities which are to be
42 leased to the donor. When any political subdivision of the state, district
43 described in subsection (s), public or private nonprofit hospital or public

1 hospital authority, public or private elementary or secondary school, pub-
2 lic or private nonprofit educational institution, state correctional institu-
3 tion including a privately constructed correctional institution contracted
4 for state use and ownership shall contract for the purpose of constructing,
5 equipping, reconstructing, maintaining, repairing, enlarging, furnishing
6 or remodeling facilities, it shall obtain from the state and furnish to the
7 contractor an exemption certificate for the project involved, and the con-
8 tractor may purchase materials for incorporation in such project. The
9 contractor shall furnish the number of such certificate to all suppliers
10 from whom such purchases are made, and such suppliers shall execute
11 invoices covering the same bearing the number of such certificate. Upon
12 completion of the project the contractor shall furnish to the political sub-
13 division, district described in subsection (s), hospital or public hospital
14 authority, school, educational institution or department of corrections
15 concerned a sworn statement, on a form to be provided by the director
16 of taxation, that all purchases so made were entitled to exemption under
17 this subsection. As an alternative to the foregoing procedure, any such
18 contracting entity may apply to the secretary of revenue for agent status
19 for the sole purpose of issuing and furnishing project exemption certifi-
20 cates to contractors pursuant to rules and regulations adopted by the
21 secretary establishing conditions and standards for the granting and main-
22 taining of such status. All invoices shall be held by the contractor for a
23 period of five years and shall be subject to audit by the director of taxation.
24 If any materials purchased under such a certificate are found not to have
25 been incorporated in the building or other project or not to have been
26 returned for credit or the sales or compensating tax otherwise imposed
27 upon such materials which will not be so incorporated in the building or
28 other project reported and paid by such contractor to the director of
29 taxation not later than the 20th day of the month following the close of
30 the month in which it shall be determined that such materials will not be
31 used for the purpose for which such certificate was issued, the political
32 subdivision, district described in subsection (s), hospital or public hospital
33 authority, school, educational institution or the contractor contracting
34 with the department of corrections for a correctional institution con-
35 cerned shall be liable for tax on all materials purchased for the project,
36 and upon payment thereof it may recover the same from the contractor
37 together with reasonable attorney fees. Any contractor or any agent, em-
38 ployee or subcontractor thereof, who shall use or otherwise dispose of
39 any materials purchased under such a certificate for any purpose other
40 than that for which such a certificate is issued without the payment of
41 the sales or compensating tax otherwise imposed upon such materials,
42 shall be guilty of a misdemeanor and, upon conviction therefor, shall be
43 subject to the penalties provided for in subsection (g) of K.S.A. 79-3615,

1 and amendments thereto;

2 (e) all sales of tangible personal property or services purchased by a
3 contractor for the erection, repair or enlargement of buildings or other
4 projects for the government of the United States, its agencies or instru-
5 mentalities, which would be exempt from taxation if purchased directly
6 by the government of the United States, its agencies or instrumentalities.
7 When the government of the United States, its agencies or instrumen-
8 talities shall contract for the erection, repair, or enlargement of any build-
9 ing or other project, it shall obtain from the state and furnish to the
10 contractor an exemption certificate for the project involved, and the con-
11 tractor may purchase materials for incorporation in such project. The
12 contractor shall furnish the number of such certificates to all suppliers
13 from whom such purchases are made, and such suppliers shall execute
14 invoices covering the same bearing the number of such certificate. Upon
15 completion of the project the contractor shall furnish to the government
16 of the United States, its agencies or instrumentalities concerned a sworn
17 statement, on a form to be provided by the director of taxation, that all
18 purchases so made were entitled to exemption under this subsection. As
19 an alternative to the foregoing procedure, any such contracting entity may
20 apply to the secretary of revenue for agent status for the sole purpose of
21 issuing and furnishing project exemption certificates to contractors pur-
22 suant to rules and regulations adopted by the secretary establishing con-
23 ditions and standards for the granting and maintaining of such status. All
24 invoices shall be held by the contractor for a period of five years and shall
25 be subject to audit by the director of taxation. Any contractor or any agent,
26 employee or subcontractor thereof, who shall use or otherwise dispose of
27 any materials purchased under such a certificate for any purpose other
28 than that for which such a certificate is issued without the payment of
29 the sales or compensating tax otherwise imposed upon such materials,
30 shall be guilty of a misdemeanor and, upon conviction therefor, shall be
31 subject to the penalties provided for in subsection (g) of K.S.A. 79-3615
32 and amendments thereto;

33 (f) tangible personal property purchased by a railroad or public utility
34 for consumption or movement directly and immediately in interstate
35 commerce;

36 (g) sales of aircraft including remanufactured and modified aircraft
37 sold to persons using directly or through an authorized agent such aircraft
38 as certified or licensed carriers of persons or property in interstate or
39 foreign commerce under authority of the laws of the United States or any
40 foreign government or sold to any foreign government or agency or in-
41 strumentality of such foreign government and all sales of aircraft for use
42 outside of the United States and sales of aircraft repair, modification and
43 replacement parts and sales of services employed in the remanufacture,

- 1 modification and repair of aircraft;
- 2 (h) all rentals of nonsectarian textbooks by public or private elemen-
3 tary or secondary schools;
- 4 (i) the lease or rental of all films, records, tapes, or any type of sound
5 or picture transcriptions used by motion picture exhibitors;
- 6 (j) meals served without charge or food used in the preparation of
7 such meals to employees of any restaurant, eating house, dining car, hotel,
8 drugstore or other place where meals or drinks are regularly sold to the
9 public if such employees' duties are related to the furnishing or sale of
10 such meals or drinks;
- 11 (k) any motor vehicle, semitrailer or pole trailer, as such terms are
12 defined by K.S.A. 8-126 and amendments thereto, or aircraft sold and
13 delivered in this state to a bona fide resident of another state, which motor
14 vehicle, semitrailer, pole trailer or aircraft is not to be registered or based
15 in this state and which vehicle, semitrailer, pole trailer or aircraft will not
16 remain in this state more than 10 days;
- 17 (l) all isolated or occasional sales of tangible personal property, serv-
18 ices, substances or things, except isolated or occasional sale of motor
19 vehicles specifically taxed under the provisions of subsection (o) of K.S.A.
20 79-3603 and amendments thereto;
- 21 (m) all sales of tangible personal property which become an ingre-
22 dient or component part of tangible personal property or services pro-
23 duced, manufactured or compounded for ultimate sale at retail within or
24 without the state of Kansas; and any such producer, manufacturer or
25 compounder may obtain from the director of taxation and furnish to the
26 supplier an exemption certificate number for tangible personal property
27 for use as an ingredient or component part of the property or services
28 produced, manufactured or compounded;
- 29 (n) all sales of tangible personal property which is consumed in the
30 production, manufacture, processing, mining, drilling, refining or com-
31 pounding of tangible personal property, the treating of by-products or
32 wastes derived from any such production process, the providing of serv-
33 ices or the irrigation of crops for ultimate sale at retail within or without
34 the state of Kansas; and any purchaser of such property may obtain from
35 the director of taxation and furnish to the supplier an exemption certifi-
36 cate number for tangible personal property for consumption in such pro-
37 duction, manufacture, processing, mining, drilling, refining, compound-
38 ing, treating, irrigation and in providing such services;
- 39 (o) all sales of animals, fowl and aquatic plants and animals, the pri-
40 mary purpose of which is use in agriculture or aquaculture, as defined in
41 K.S.A. 47-1901, and amendments thereto, the production of food for
42 human consumption, the production of animal, dairy, poultry or aquatic
43 plant and animal products, fiber or fur, or the production of offspring for

1 use for any such purpose or purposes;

2 (p) all sales of drugs dispensed pursuant to a prescription order by a
3 licensed practitioner or a mid-level practitioner as defined by K.S.A. 65-
4 1626, and amendments thereto. As used in this subsection, “drug” means
5 a compound, substance or preparation and any component of a com-
6 pound, substance or preparation, other than food and food ingredients,
7 dietary supplements or alcoholic beverages, recognized in the official
8 United States pharmacopoeia, official homeopathic pharmacopoeia of the
9 United States or official national formulary, and supplement to any of
10 them, intended for use in the diagnosis, cure, mitigation, treatment or
11 prevention of disease or intended to affect the structure or any function
12 of the body;

13 (q) all sales of insulin dispensed by a person licensed by the state
14 board of pharmacy to a person for treatment of diabetes at the direction
15 of a person licensed to practice medicine by the board of healing arts;

16 (r) all sales of oxygen delivery equipment, kidney dialysis equipment,
17 enteral feeding systems, prosthetic devices and mobility enhancing equip-
18 ment prescribed in writing by a person licensed to practice the healing
19 arts, dentistry or optometry, and in addition to such sales, all sales of
20 hearing aids, as defined by subsection (c) of K.S.A. 74-5807, and amend-
21 ments thereto, and repair and replacement parts therefor, including bat-
22 teries, by a person licensed in the practice of dispensing and fitting hear-
23 ing aids pursuant to the provisions of K.S.A. 74-5808, and amendments
24 thereto. For the purposes of this subsection: (1) “Mobility enhancing
25 equipment” means equipment including repair and replacement parts to
26 same, but does not include durable medical equipment, which is primarily
27 and customarily used to provide or increase the ability to move from one
28 place to another and which is appropriate for use either in a home or a
29 motor vehicle; is not generally used by persons with normal mobility; and
30 does not include any motor vehicle or equipment on a motor vehicle
31 normally provided by a motor vehicle manufacturer; and (2) “prosthetic
32 device” means a replacement, corrective or supportive device including
33 repair and replacement parts for same worn on or in the body to artificially
34 replace a missing portion of the body, prevent or correct physical deform-
35 ity or malfunction or support a weak or deformed portion of the body;

36 (s) except as provided in K.S.A. 2009 Supp. 82a-2101, and amend-
37 ments thereto, all sales of tangible personal property or services pur-
38 chased directly or indirectly by a groundwater management district or-
39 ganized or operating under the authority of K.S.A. 82a-1020 et seq. and
40 amendments thereto, by a rural water district organized or operating un-
41 der the authority of K.S.A. 82a-612, and amendments thereto, or by a
42 water supply district organized or operating under the authority of K.S.A.
43 19-3501 et seq., 19-3522 et seq. or 19-3545, and amendments thereto,

1 which property or services are used in the construction activities, operation
2 tion or maintenance of the district;

3 (t) all sales of farm machinery and equipment or aquaculture ma-
4 chinery and equipment, repair and replacement parts therefor and serv-
5 ices performed in the repair and maintenance of such machinery and
6 equipment. For the purposes of this subsection the term “farm machinery
7 and equipment or aquaculture machinery and equipment” shall include
8 a work-site utility vehicle, as defined in K.S.A. 8-126, and amendments
9 thereto, and is equipped with a bed or cargo box for hauling materials,
10 and shall also include machinery and equipment used in the operation of
11 Christmas tree farming but shall not include any passenger vehicle, truck,
12 truck tractor, trailer, semitrailer or pole trailer, other than a farm trailer,
13 as such terms are defined by K.S.A. 8-126 and amendments thereto.
14 “Farm machinery and equipment” includes precision farming equipment
15 that is portable or is installed or purchased to be installed on farm ma-
16 chinery and equipment. “Precision farming equipment” includes the fol-
17 lowing items used only in computer-assisted farming, ranching or aqua-
18 culture production operations: Soil testing sensors, yield monitors,
19 computers, monitors, software, global positioning and mapping systems,
20 guiding systems, modems, data communications equipment and any nec-
21 essary mounting hardware, wiring and antennas. Each purchaser of farm
22 machinery and equipment or aquaculture machinery and equipment ex-
23 empted herein must certify in writing on the copy of the invoice or sales
24 ticket to be retained by the seller that the farm machinery and equipment
25 or aquaculture machinery and equipment purchased will be used only in
26 farming, ranching or aquaculture production. Farming or ranching shall
27 include the operation of a feedlot and farm and ranch work for hire and
28 the operation of a nursery;

29 (u) all leases or rentals of tangible personal property used as a dwell-
30 ing if such tangible personal property is leased or rented for a period of
31 more than 28 consecutive days;

32 (v) all sales of tangible personal property to any contractor for use in
33 preparing meals for delivery to homebound elderly persons over 60 years
34 of age and to homebound disabled persons or to be served at a group-
35 sitting at a location outside of the home to otherwise homebound elderly
36 persons over 60 years of age and to otherwise homebound disabled per-
37 sons, as all or part of any food service project funded in whole or in part
38 by government or as part of a private nonprofit food service project avail-
39 able to all such elderly or disabled persons residing within an area of
40 service designated by the private nonprofit organization, and all sales of
41 tangible personal property for use in preparing meals for consumption by
42 indigent or homeless individuals whether or not such meals are consumed
43 at a place designated for such purpose, and all sales of food products by

1 or on behalf of any such contractor or organization for any such purpose;
2 (w) all sales of natural gas, electricity, heat and water delivered
3 through mains, lines or pipes: (1) To residential premises for noncom-
4 mercial use by the occupant of such premises; (2) for agricultural use and
5 also, for such use, all sales of propane gas; (3) for use in the severing of
6 oil; and (4) to any property which is exempt from property taxation pur-
7 suant to K.S.A. 79-201b *Second* through *Sixth*. As used in this paragraph,
8 “severing” shall have the meaning ascribed thereto by subsection (k) of
9 K.S.A. 79-4216, and amendments thereto. For all sales of natural gas,
10 electricity and heat delivered through mains, lines or pipes pursuant to
11 the provisions of subsection (w)(1) and (w)(2), the provisions of this sub-
12 section shall expire on December 31, 2005;

13 (x) all sales of propane gas, LP-gas, coal, wood and other fuel sources
14 for the production of heat or lighting for noncommercial use of an oc-
15 cupant of residential premises occurring prior to January 1, 2006;

16 (y) all sales of materials and services used in the repairing, servicing,
17 altering, maintaining, manufacturing, remanufacturing, or modification of
18 railroad rolling stock for use in interstate or foreign commerce under
19 authority of the laws of the United States;

20 (z) all sales of tangible personal property and services purchased di-
21 rectly by a port authority or by a contractor therefor as provided by the
22 provisions of K.S.A. 12-3418 and amendments thereto;

23 (aa) all sales of materials and services applied to equipment which is
24 transported into the state from without the state for repair, service, al-
25 teration, maintenance, remanufacture or modification and which is sub-
26 sequently transported outside the state for use in the transmission of
27 liquids or natural gas by means of pipeline in interstate or foreign com-
28 merce under authority of the laws of the United States;

29 (bb) all sales of used mobile homes or manufactured homes. As used
30 in this subsection: (1) “Mobile homes” and “manufactured homes” shall
31 have the meanings ascribed thereto by K.S.A. 58-4202 and amendments
32 thereto; and (2) “sales of used mobile homes or manufactured homes”
33 means sales other than the original retail sale thereof;

34 (cc) all sales of tangible personal property or services purchased for
35 the purpose of and in conjunction with constructing, reconstructing, en-
36 larging or remodeling a business or retail business which meets the
37 requirements established in K.S.A. 74-50,115 and amendments thereto,
38 and the sale and installation of machinery and equipment purchased for
39 installation at any such business or retail business. When a person shall
40 contract for the construction, reconstruction, enlargement or remodeling
41 of any such business or retail business, such person shall obtain from the
42 state and furnish to the contractor an exemption certificate for the project
43 involved, and the contractor may purchase materials, machinery and

1 equipment for incorporation in such project. The contractor shall furnish
2 the number of such certificates to all suppliers from whom such purchases
3 are made, and such suppliers shall execute invoices covering the same
4 bearing the number of such certificate. Upon completion of the project
5 the contractor shall furnish to the owner of the business or retail business
6 a sworn statement, on a form to be provided by the director of taxation,
7 that all purchases so made were entitled to exemption under this subsec-
8 tion. All invoices shall be held by the contractor for a period of five years
9 and shall be subject to audit by the director of taxation. Any contractor
10 or any agent, employee or subcontractor thereof, who shall use or oth-
11 erwise dispose of any materials, machinery or equipment purchased un-
12 der such a certificate for any purpose other than that for which such a
13 certificate is issued without the payment of the sales or compensating tax
14 otherwise imposed thereon, shall be guilty of a misdemeanor and, upon
15 conviction therefor, shall be subject to the penalties provided for in sub-
16 section (g) of K.S.A. 79-3615 and amendments thereto. As used in this
17 subsection, "business" and "retail business" have the meanings respec-
18 tively ascribed thereto by K.S.A. 74-50,114 and amendments thereto;

19 (dd) all sales of tangible personal property purchased with food
20 stamps issued by the United States department of agriculture;

21 (ee) all sales of lottery tickets and shares made as part of a lottery
22 operated by the state of Kansas;

23 (ff) on and after July 1, 1988, all sales of new mobile homes or man-
24 ufactured homes to the extent of 40% of the gross receipts, determined
25 without regard to any trade-in allowance, received from such sale. As used
26 in this subsection, "mobile homes" and "manufactured homes" shall have
27 the meanings ascribed thereto by K.S.A. 58-4202 and amendments
28 thereto;

29 (gg) all sales of tangible personal property purchased in accordance
30 with vouchers issued pursuant to the federal special supplemental food
31 program for women, infants and children;

32 (hh) all sales of medical supplies and equipment, including durable
33 medical equipment, purchased directly by a nonprofit skilled nursing
34 home or nonprofit intermediate nursing care home, as defined by K.S.A.
35 39-923, and amendments thereto, for the purpose of providing medical
36 services to residents thereof. This exemption shall not apply to tangible
37 personal property customarily used for human habitation purposes. As
38 used in this subsection, "durable medical equipment" means equipment
39 including repair and replacement parts for such equipment, which can
40 withstand repeated use, is primarily and customarily used to serve a med-
41 ical purpose, generally is not useful to a person in the absence of illness
42 or injury and is not worn in or on the body, but does not include mobility
43 enhancing equipment as defined in subsection (r), oxygen delivery equip-

- 1 ment, kidney dialysis equipment or enteral feeding systems;
- 2 (ii) all sales of tangible personal property purchased directly by a non-
3 profit organization for nonsectarian comprehensive multidiscipline youth
4 development programs and activities provided or sponsored by such or-
5 ganization, and all sales of tangible personal property by or on behalf of
6 any such organization. This exemption shall not apply to tangible personal
7 property customarily used for human habitation purposes;
- 8 (jj) all sales of tangible personal property or services, including the
9 renting and leasing of tangible personal property, purchased directly on
10 behalf of a community-based mental retardation facility or mental health
11 center organized pursuant to K.S.A. 19-4001 et seq., and amendments
12 thereto, and licensed in accordance with the provisions of K.S.A. 75-
13 3307b and amendments thereto and all sales of tangible personal property
14 or services purchased by contractors during the time period from July,
15 2003, through June, 2006, for the purpose of constructing, equipping,
16 maintaining or furnishing a new facility for a community-based mental
17 retardation facility or mental health center located in Riverton, Cherokee
18 County, Kansas, which would have been eligible for sales tax exemption
19 pursuant to this subsection if purchased directly by such facility or center.
20 This exemption shall not apply to tangible personal property customarily
21 used for human habitation purposes;
- 22 (kk) (1) (A) all sales of machinery and equipment which are used in
23 this state as an integral or essential part of an integrated production op-
24 eration by a manufacturing or processing plant or facility;
- 25 (B) all sales of installation, repair and maintenance services per-
26 formed on such machinery and equipment; and
- 27 (C) all sales of repair and replacement parts and accessories pur-
28 chased for such machinery and equipment.
- 29 (2) For purposes of this subsection:
- 30 (A) "Integrated production operation" means an integrated series of
31 operations engaged in at a manufacturing or processing plant or facility
32 to process, transform or convert tangible personal property by physical,
33 chemical or other means into a different form, composition or character
34 from that in which it originally existed. Integrated production operations
35 shall include: (i) Production line operations, including packaging opera-
36 tions; (ii) preproduction operations to handle, store and treat raw mate-
37 rials; (iii) post production handling, storage, warehousing and distribution
38 operations; and (iv) waste, pollution and environmental control opera-
39 tions, if any;
- 40 (B) "production line" means the assemblage of machinery and equip-
41 ment at a manufacturing or processing plant or facility where the actual
42 transformation or processing of tangible personal property occurs;
- 43 (C) "manufacturing or processing plant or facility" means a single,

1 fixed location owned or controlled by a manufacturing or processing busi-
2 ness that consists of one or more structures or buildings in a contiguous
3 area where integrated production operations are conducted to manufac-
4 ture or process tangible personal property to be ultimately sold at retail.
5 Such term shall not include any facility primarily operated for the purpose
6 of conveying or assisting in the conveyance of natural gas, electricity, oil
7 or water. A business may operate one or more manufacturing or proc-
8 essing plants or facilities at different locations to manufacture or process
9 a single product of tangible personal property to be ultimately sold at
10 retail;

11 (D) “manufacturing or processing business” means a business that
12 utilizes an integrated production operation to manufacture, process, fab-
13 ricate, finish, or assemble items for wholesale and retail distribution as
14 part of what is commonly regarded by the general public as an industrial
15 manufacturing or processing operation or an agricultural commodity
16 processing operation. (i) Industrial manufacturing or processing opera-
17 tions include, by way of illustration but not of limitation, the fabrication
18 of automobiles, airplanes, machinery or transportation equipment, the
19 fabrication of metal, plastic, wood, or paper products, electricity power
20 generation, water treatment, petroleum refining, chemical production,
21 wholesale bottling, newspaper printing, ready mixed concrete production,
22 and the remanufacturing of used parts for wholesale or retail sale. Such
23 processing operations shall include operations at an oil well, gas well, mine
24 or other excavation site where the oil, gas, minerals, coal, clay, stone, sand
25 or gravel that has been extracted from the earth is cleaned, separated,
26 crushed, ground, milled, screened, washed, or otherwise treated or pre-
27 pared before its transmission to a refinery or before any other wholesale
28 or retail distribution. (ii) Agricultural commodity processing operations
29 include, by way of illustration but not of limitation, meat packing, poultry
30 slaughtering and dressing, processing and packaging farm and dairy prod-
31 ucts in sealed containers for wholesale and retail distribution, feed grind-
32 ing, grain milling, frozen food processing, and grain handling, cleaning,
33 blending, fumigation, drying and aeration operations engaged in by grain
34 elevators or other grain storage facilities. (iii) Manufacturing or processing
35 businesses do not include, by way of illustration but not of limitation,
36 nonindustrial businesses whose operations are primarily retail and that
37 produce or process tangible personal property as an incidental part of
38 conducting the retail business, such as retailers who bake, cook or prepare
39 food products in the regular course of their retail trade, grocery stores,
40 meat lockers and meat markets that butcher or dress livestock or poultry
41 in the regular course of their retail trade, contractors who alter, service,
42 repair or improve real property, and retail businesses that clean, service
43 or refurbish and repair tangible personal property for its owner;

- 1 (E) “repair and replacement parts and accessories” means all parts
2 and accessories for exempt machinery and equipment, including, but not
3 limited to, dies, jigs, molds, patterns and safety devices that are attached
4 to exempt machinery or that are otherwise used in production, and parts
5 and accessories that require periodic replacement such as belts, drill bits,
6 grinding wheels, grinding balls, cutting bars, saws, refractory brick and
7 other refractory items for exempt kiln equipment used in production op-
8 erations;
- 9 (F) “primary” or “primarily” mean more than 50% of the time.
- 10 (3) For purposes of this subsection, machinery and equipment shall
11 be deemed to be used as an integral or essential part of an integrated
12 production operation when used:
- 13 (A) To receive, transport, convey, handle, treat or store raw materials
14 in preparation of its placement on the production line;
- 15 (B) to transport, convey, handle or store the property undergoing
16 manufacturing or processing at any point from the beginning of the pro-
17 duction line through any warehousing or distribution operation of the
18 final product that occurs at the plant or facility;
- 19 (C) to act upon, effect, promote or otherwise facilitate a physical
20 change to the property undergoing manufacturing or processing;
- 21 (D) to guide, control or direct the movement of property undergoing
22 manufacturing or processing;
- 23 (E) to test or measure raw materials, the property undergoing man-
24 ufacturing or processing or the finished product, as a necessary part of
25 the manufacturer’s integrated production operations;
- 26 (F) to plan, manage, control or record the receipt and flow of inven-
27 tories of raw materials, consumables and component parts, the flow of
28 the property undergoing manufacturing or processing and the manage-
29 ment of inventories of the finished product;
- 30 (G) to produce energy for, lubricate, control the operating of or oth-
31 erwise enable the functioning of other production machinery and equip-
32 ment and the continuation of production operations;
- 33 (H) to package the property being manufactured or processed in a
34 container or wrapping in which such property is normally sold or trans-
35 ported;
- 36 (I) to transmit or transport electricity, coke, gas, water, steam or sim-
37 ilar substances used in production operations from the point of genera-
38 tion, if produced by the manufacturer or processor at the plant site, to
39 that manufacturer’s production operation; or, if purchased or delivered
40 from offsite, from the point where the substance enters the site of the
41 plant or facility to that manufacturer’s production operations;
- 42 (J) to cool, heat, filter, refine or otherwise treat water, steam, acid,
43 oil, solvents or other substances that are used in production operations;

1 (K) to provide and control an environment required to maintain cer-
2 tain levels of air quality, humidity or temperature in special and limited
3 areas of the plant or facility, where such regulation of temperature or
4 humidity is part of and essential to the production process;

5 (L) to treat, transport or store waste or other byproducts of produc-
6 tion operations at the plant or facility; or

7 (M) to control pollution at the plant or facility where the pollution is
8 produced by the manufacturing or processing operation.

9 (4) The following machinery, equipment and materials shall be
10 deemed to be exempt even though it may not otherwise qualify as ma-
11 chinery and equipment used as an integral or essential part of an inte-
12 grated production operation: (A) Computers and related peripheral
13 equipment that are utilized by a manufacturing or processing business
14 for engineering of the finished product or for research and development
15 or product design; (B) machinery and equipment that is utilized by a
16 manufacturing or processing business to manufacture or rebuild tangible
17 personal property that is used in manufacturing or processing operations,
18 including tools, dies, molds, forms and other parts of qualifying machinery
19 and equipment; (C) portable plants for aggregate concrete, bulk cement
20 and asphalt including cement mixing drums to be attached to a motor
21 vehicle; (D) industrial fixtures, devices, support facilities and special foun-
22 dations necessary for manufacturing and production operations, and ma-
23 terials and other tangible personal property sold for the purpose of fab-
24 ricating such fixtures, devices, facilities and foundations. An exemption
25 certificate for such purchases shall be signed by the manufacturer or
26 processor. If the fabricator purchases such material, the fabricator shall
27 also sign the exemption certificate; and (E) a manufacturing or processing
28 business' laboratory equipment that is not located at the plant or facility,
29 but that would otherwise qualify for exemption under subsection (3)(E).

30 (5) "Machinery and equipment used as an integral or essential part
31 of an integrated production operation" shall not include:

32 (A) Machinery and equipment used for nonproduction purposes, in-
33 cluding, but not limited to, machinery and equipment used for plant se-
34 curity, fire prevention, first aid, accounting, administration, record keep-
35 ing, advertising, marketing, sales or other related activities, plant cleaning,
36 plant communications, and employee work scheduling;

37 (B) machinery, equipment and tools used primarily in maintaining
38 and repairing any type of machinery and equipment or the building and
39 plant;

40 (C) transportation, transmission and distribution equipment not pri-
41 marily used in a production, warehousing or material handling operation
42 at the plant or facility, including the means of conveyance of natural gas,
43 electricity, oil or water, and equipment related thereto, located outside

- 1 the plant or facility;
- 2 (D) office machines and equipment including computers and related
3 peripheral equipment not used directly and primarily to control or mea-
4 sure the manufacturing process;
- 5 (E) furniture and other furnishings;
- 6 (F) buildings, other than exempt machinery and equipment that is
7 permanently affixed to or becomes a physical part of the building, and
8 any other part of real estate that is not otherwise exempt;
- 9 (G) building fixtures that are not integral to the manufacturing op-
10 eration, such as utility systems for heating, ventilation, air conditioning,
11 communications, plumbing or electrical;
- 12 (H) machinery and equipment used for general plant heating, cooling
13 and lighting;
- 14 (I) motor vehicles that are registered for operation on public high-
15 ways; or
- 16 (J) employee apparel, except safety and protective apparel that is pur-
17 chased by an employer and furnished gratuitously to employees who are
18 involved in production or research activities.
- 19 (6) Subsections (3) and (5) shall not be construed as exclusive listings
20 of the machinery and equipment that qualify or do not qualify as an
21 integral or essential part of an integrated production operation. When
22 machinery or equipment is used as an integral or essential part of pro-
23 duction operations part of the time and for nonproduction purpose at
24 other times, the primary use of the machinery or equipment shall deter-
25 mine whether or not such machinery or equipment qualifies for exemp-
26 tion.
- 27 (7) The secretary of revenue shall adopt rules and regulations nec-
28 essary to administer the provisions of this subsection;
- 29 (ll) all sales of educational materials purchased for distribution to the
30 public at no charge by a nonprofit corporation organized for the purpose
31 of encouraging, fostering and conducting programs for the improvement
32 of public health;
- 33 (mm) all sales of seeds and tree seedlings; fertilizers, insecticides,
34 herbicides, germicides, pesticides and fungicides; and services, purchased
35 and used for the purpose of producing plants in order to prevent soil
36 erosion on land devoted to agricultural use;
- 37 (nn) except as otherwise provided in this act, all sales of services ren-
38 dered by an advertising agency or licensed broadcast station or any mem-
39 ber, agent or employee thereof;
- 40 (oo) all sales of tangible personal property purchased by a community
41 action group or agency for the exclusive purpose of repairing or weath-
42 erizing housing occupied by low income individuals;
- 43 (pp) all sales of drill bits and explosives actually utilized in the explo-

1 ration and production of oil or gas;

2 (qq) all sales of tangible personal property and services purchased by
3 a nonprofit museum or historical society or any combination thereof, in-
4 cluding a nonprofit organization which is organized for the purpose of
5 stimulating public interest in the exploration of space by providing edu-
6 cational information, exhibits and experiences, which is exempt from fed-
7 eral income taxation pursuant to section 501(c)(3) of the federal internal
8 revenue code of 1986;

9 (rr) all sales of tangible personal property which will admit the pur-
10 chaser thereof to any annual event sponsored by a nonprofit organization
11 which is exempt from federal income taxation pursuant to section
12 501(c)(3) of the federal internal revenue code of 1986;

13 (ss) all sales of tangible personal property and services purchased by
14 a public broadcasting station licensed by the federal communications
15 commission as a noncommercial educational television or radio station;

16 (tt) all sales of tangible personal property and services purchased by
17 or on behalf of a not-for-profit corporation which is exempt from federal
18 income taxation pursuant to section 501(c)(3) of the federal internal rev-
19 enue code of 1986, for the sole purpose of constructing a Kansas Korean
20 War memorial;

21 (uu) all sales of tangible personal property and services purchased by
22 or on behalf of any rural volunteer fire-fighting organization for use ex-
23 clusively in the performance of its duties and functions;

24 (vv) all sales of tangible personal property purchased by any of the
25 following organizations which are exempt from federal income taxation
26 pursuant to section 501(c)(3) of the federal internal revenue code of 1986,
27 for the following purposes, and all sales of any such property by or on
28 behalf of any such organization for any such purpose:

29 (1) The American Heart Association, Kansas Affiliate, Inc. for the
30 purposes of providing education, training, certification in emergency car-
31 diac care, research and other related services to reduce disability and
32 death from cardiovascular diseases and stroke;

33 (2) the Kansas Alliance for the Mentally Ill, Inc. for the purpose of
34 advocacy for persons with mental illness and to education, research and
35 support for their families;

36 (3) the Kansas Mental Illness Awareness Council for the purposes of
37 advocacy for persons who are mentally ill and to education, research and
38 support for them and their families;

39 (4) the American Diabetes Association Kansas Affiliate, Inc. for the
40 purpose of eliminating diabetes through medical research, public edu-
41 cation focusing on disease prevention and education, patient education
42 including information on coping with diabetes, and professional education
43 and training;

- 1 (5) the American Lung Association of Kansas, Inc. for the purpose of
2 eliminating all lung diseases through medical research, public education
3 including information on coping with lung diseases, professional educa-
4 tion and training related to lung disease and other related services to
5 reduce the incidence of disability and death due to lung disease;
- 6 (6) the Kansas chapters of the Alzheimer's Disease and Related Dis-
7 orders Association, Inc. for the purpose of providing assistance and sup-
8 port to persons in Kansas with Alzheimer's disease, and their families and
9 caregivers;
- 10 (7) the Kansas chapters of the Parkinson's disease association for the
11 purpose of eliminating Parkinson's disease through medical research and
12 public and professional education related to such disease;
- 13 (8) the National Kidney Foundation of Kansas and Western Missouri
14 for the purpose of eliminating kidney disease through medical research
15 and public and private education related to such disease;
- 16 (9) the heartstrings community foundation for the purpose of provid-
17 ing training, employment and activities for adults with developmental
18 disabilities;
- 19 (10) the Cystic Fibrosis Foundation, Heart of America Chapter, for
20 the purposes of assuring the development of the means to cure and con-
21 trol cystic fibrosis and improving the quality of life for those with the
22 disease;
- 23 (11) the spina bifida association of Kansas for the purpose of provid-
24 ing financial, educational and practical aid to families and individuals with
25 spina bifida. Such aid includes, but is not limited to, funding for medical
26 devices, counseling and medical educational opportunities;
- 27 (12) the CHWC, Inc., for the purpose of rebuilding urban core neigh-
28 borhoods through the construction of new homes, acquiring and reno-
29 vating existing homes and other related activities, and promoting eco-
30 nomic development in such neighborhoods;
- 31 (13) the cross-lines cooperative council for the purpose of providing
32 social services to low income individuals and families;
- 33 (14) the Dreams Work, Inc., for the purpose of providing young adult
34 day services to individuals with developmental disabilities and assisting
35 families in avoiding institutional or nursing home care for a developmen-
36 tally disabled member of their family;
- 37 (15) the KSDS, Inc., for the purpose of promoting the independence
38 and inclusion of people with disabilities as fully participating and contrib-
39 uting members of their communities and society through the training and
40 providing of guide and service dogs to people with disabilities, and pro-
41 viding disability education and awareness to the general public;
- 42 (16) the lyme association of greater Kansas City, Inc., for the purpose
43 of providing support to persons with lyme disease and public education

- 1 relating to the prevention, treatment and cure of lyme disease;
- 2 (17) the Dream Factory, Inc., for the purpose of granting the dreams
- 3 of children with critical and chronic illnesses;
- 4 (18) the Ottawa Suzuki Strings, Inc., for the purpose of providing
- 5 students and families with education and resources necessary to enable
- 6 each child to develop fine character and musical ability to the fullest
- 7 potential;
- 8 (19) the International Association of Lions Clubs for the purpose of
- 9 creating and fostering a spirit of understanding among all people for hu-
- 10 manitarian needs by providing voluntary services through community in-
- 11 volvement and international cooperation;
- 12 (20) the Johnson county young matrons, inc., for the purpose of pro-
- 13 moting a positive future for members of the community through volun-
- 14 teerism, financial support and education through the efforts of an all
- 15 volunteer organization;
- 16 (21) the American Cancer Society, Inc., for the purpose of eliminat-
- 17 ing cancer as a major health problem by preventing cancer, saving lives
- 18 and diminishing suffering from cancer, through research, education, ad-
- 19 vocacy and service;
- 20 (22) the community services of Shawnee, inc., for the purpose of
- 21 providing food and clothing to those in need;
- 22 (23) the angel babies association, for the purpose of providing assis-
- 23 tance, support and items of necessity to teenage mothers and their babies;
- 24 and
- 25 (24) the Kansas fairgrounds foundation for the purpose of the pres-
- 26 ervation, renovation and beautification of the Kansas state fairgrounds;
- 27 (ww) all sales of tangible personal property purchased by the Habitat
- 28 for Humanity for the exclusive use of being incorporated within a housing
- 29 project constructed by such organization;
- 30 (xx) all sales of tangible personal property and services purchased by
- 31 a nonprofit zoo which is exempt from federal income taxation pursuant
- 32 to section 501(c)(3) of the federal internal revenue code of 1986, or on
- 33 behalf of such zoo by an entity itself exempt from federal income taxation
- 34 pursuant to section 501(c)(3) of the federal internal revenue code of 1986
- 35 contracted with to operate such zoo and all sales of tangible personal
- 36 property or services purchased by a contractor for the purpose of con-
- 37 structing, equipping, reconstructing, maintaining, repairing, enlarging,
- 38 furnishing or remodeling facilities for any nonprofit zoo which would be
- 39 exempt from taxation under the provisions of this section if purchased
- 40 directly by such nonprofit zoo or the entity operating such zoo. Nothing
- 41 in this subsection shall be deemed to exempt the purchase of any con-
- 42 struction machinery, equipment or tools used in the constructing, equip-
- 43 ping, reconstructing, maintaining, repairing, enlarging, furnishing or re-

1 modeling facilities for any nonprofit zoo. When any nonprofit zoo shall
2 contract for the purpose of constructing, equipping, reconstructing, main-
3 taining, repairing, enlarging, furnishing or remodeling facilities, it shall
4 obtain from the state and furnish to the contractor an exemption certifi-
5 cate for the project involved, and the contractor may purchase materials
6 for incorporation in such project. The contractor shall furnish the number
7 of such certificate to all suppliers from whom such purchases are made,
8 and such suppliers shall execute invoices covering the same bearing the
9 number of such certificate. Upon completion of the project the contractor
10 shall furnish to the nonprofit zoo concerned a sworn statement, on a form
11 to be provided by the director of taxation, that all purchases so made were
12 entitled to exemption under this subsection. All invoices shall be held by
13 the contractor for a period of five years and shall be subject to audit by
14 the director of taxation. If any materials purchased under such a certifi-
15 cate are found not to have been incorporated in the building or other
16 project or not to have been returned for credit or the sales or compen-
17 sating tax otherwise imposed upon such materials which will not be so
18 incorporated in the building or other project reported and paid by such
19 contractor to the director of taxation not later than the 20th day of the
20 month following the close of the month in which it shall be determined
21 that such materials will not be used for the purpose for which such cer-
22 tificate was issued, the nonprofit zoo concerned shall be liable for tax on
23 all materials purchased for the project, and upon payment thereof it may
24 recover the same from the contractor together with reasonable attorney
25 fees. Any contractor or any agent, employee or subcontractor thereof,
26 who shall use or otherwise dispose of any materials purchased under such
27 a certificate for any purpose other than that for which such a certificate
28 is issued without the payment of the sales or compensating tax otherwise
29 imposed upon such materials, shall be guilty of a misdemeanor and, upon
30 conviction therefor, shall be subject to the penalties provided for in sub-
31 section (g) of K.S.A. 79-3615, and amendments thereto;

32 (yy) all sales of tangible personal property and services purchased by
33 a parent-teacher association or organization, and all sales of tangible per-
34 sonal property by or on behalf of such association or organization;

35 (zz) all sales of machinery and equipment purchased by over-the-air,
36 free access radio or television station which is used directly and primarily
37 for the purpose of producing a broadcast signal or is such that the failure
38 of the machinery or equipment to operate would cause broadcasting to
39 cease. For purposes of this subsection, machinery and equipment shall
40 include, but not be limited to, that required by rules and regulations of
41 the federal communications commission, and all sales of electricity which
42 are essential or necessary for the purpose of producing a broadcast signal
43 or is such that the failure of the electricity would cause broadcasting to

1 cease;

2 (aaa) all sales of tangible personal property and services purchased
3 by a religious organization which is exempt from federal income taxation
4 pursuant to section 501(c)(3) of the federal internal revenue code, and
5 used exclusively for religious purposes, and all sales of tangible personal
6 property or services purchased by a contractor for the purpose of con-
7 structing, equipping, reconstructing, maintaining, repairing, enlarging,
8 furnishing or remodeling facilities for any such organization which would
9 be exempt from taxation under the provisions of this section if purchased
10 directly by such organization. Nothing in this subsection shall be deemed
11 to exempt the purchase of any construction machinery, equipment or
12 tools used in the constructing, equipping, reconstructing, maintaining,
13 repairing, enlarging, furnishing or remodeling facilities for any such or-
14 ganization. When any such organization shall contract for the purpose of
15 constructing, equipping, reconstructing, maintaining, repairing, enlarg-
16 ing, furnishing or remodeling facilities, it shall obtain from the state and
17 furnish to the contractor an exemption certificate for the project involved,
18 and the contractor may purchase materials for incorporation in such pro-
19 ject. The contractor shall furnish the number of such certificate to all
20 suppliers from whom such purchases are made, and such suppliers shall
21 execute invoices covering the same bearing the number of such certifi-
22 cate. Upon completion of the project the contractor shall furnish to such
23 organization concerned a sworn statement, on a form to be provided by
24 the director of taxation, that all purchases so made were entitled to ex-
25 emption under this subsection. All invoices shall be held by the contractor
26 for a period of five years and shall be subject to audit by the director of
27 taxation. If any materials purchased under such a certificate are found
28 not to have been incorporated in the building or other project or not to
29 have been returned for credit or the sales or compensating tax otherwise
30 imposed upon such materials which will not be so incorporated in the
31 building or other project reported and paid by such contractor to the
32 director of taxation not later than the 20th day of the month following
33 the close of the month in which it shall be determined that such materials
34 will not be used for the purpose for which such certificate was issued,
35 such organization concerned shall be liable for tax on all materials pur-
36 chased for the project, and upon payment thereof it may recover the same
37 from the contractor together with reasonable attorney fees. Any contrac-
38 tor or any agent, employee or subcontractor thereof, who shall use or
39 otherwise dispose of any materials purchased under such a certificate for
40 any purpose other than that for which such a certificate is issued without
41 the payment of the sales or compensating tax otherwise imposed upon
42 such materials, shall be guilty of a misdemeanor and, upon conviction
43 therefor, shall be subject to the penalties provided for in subsection (g)

1 of K.S.A. 79-3615, and amendments thereto. Sales tax paid on and after
2 July 1, 1998, but prior to the effective date of this act upon the gross
3 receipts received from any sale exempted by the amendatory provisions
4 of this subsection shall be refunded. Each claim for a sales tax refund
5 shall be verified and submitted to the director of taxation upon forms
6 furnished by the director and shall be accompanied by any additional
7 documentation required by the director. The director shall review each
8 claim and shall refund that amount of sales tax paid as determined under
9 the provisions of this subsection. All refunds shall be paid from the sales
10 tax refund fund upon warrants of the director of accounts and reports
11 pursuant to vouchers approved by the director or the director's designee;

12 (bbb) all sales of food for human consumption by an organization
13 which is exempt from federal income taxation pursuant to section
14 501(c)(3) of the federal internal revenue code of 1986, pursuant to a food
15 distribution program which offers such food at a price below cost in
16 exchange for the performance of community service by the purchaser
17 thereof;

18 (ccc) on and after July 1, 1999, all sales of tangible personal property
19 and services purchased by a primary care clinic or health center the pri-
20 mary purpose of which is to provide services to medically underserved
21 individuals and families, and which is exempt from federal income taxa-
22 tion pursuant to section 501(c)(3) of the federal internal revenue code,
23 and all sales of tangible personal property or services purchased by a
24 contractor for the purpose of constructing, equipping, reconstructing,
25 maintaining, repairing, enlarging, furnishing or remodeling facilities for
26 any such clinic or center which would be exempt from taxation under the
27 provisions of this section if purchased directly by such clinic or center.
28 Nothing in this subsection shall be deemed to exempt the purchase of
29 any construction machinery, equipment or tools used in the constructing,
30 equipping, reconstructing, maintaining, repairing, enlarging, furnishing
31 or remodeling facilities for any such clinic or center. When any such clinic
32 or center shall contract for the purpose of constructing, equipping, re-
33 constructing, maintaining, repairing, enlarging, furnishing or remodeling
34 facilities, it shall obtain from the state and furnish to the contractor an
35 exemption certificate for the project involved, and the contractor may
36 purchase materials for incorporation in such project. The contractor shall
37 furnish the number of such certificate to all suppliers from whom such
38 purchases are made, and such suppliers shall execute invoices covering
39 the same bearing the number of such certificate. Upon completion of the
40 project the contractor shall furnish to such clinic or center concerned a
41 sworn statement, on a form to be provided by the director of taxation,
42 that all purchases so made were entitled to exemption under this subsec-
43 tion. All invoices shall be held by the contractor for a period of five years

1 and shall be subject to audit by the director of taxation. If any materials
2 purchased under such a certificate are found not to have been incorpo-
3 rated in the building or other project or not to have been returned for
4 credit or the sales or compensating tax otherwise imposed upon such
5 materials which will not be so incorporated in the building or other pro-
6 ject reported and paid by such contractor to the director of taxation not
7 later than the 20th day of the month following the close of the month in
8 which it shall be determined that such materials will not be used for the
9 purpose for which such certificate was issued, such clinic or center con-
10 cerned shall be liable for tax on all materials purchased for the project,
11 and upon payment thereof it may recover the same from the contractor
12 together with reasonable attorney fees. Any contractor or any agent, em-
13 ployee or subcontractor thereof, who shall use or otherwise dispose of
14 any materials purchased under such a certificate for any purpose other
15 than that for which such a certificate is issued without the payment of
16 the sales or compensating tax otherwise imposed upon such materials,
17 shall be guilty of a misdemeanor and, upon conviction therefor, shall be
18 subject to the penalties provided for in subsection (g) of K.S.A. 79-3615,
19 and amendments thereto;

20 (ddd) on and after January 1, 1999, and before January 1, 2000, all
21 sales of materials and services purchased by any class II or III railroad as
22 classified by the federal surface transportation board for the construction,
23 renovation, repair or replacement of class II or III railroad track and
24 facilities used directly in interstate commerce. In the event any such track
25 or facility for which materials and services were purchased sales tax ex-
26 empt is not operational for five years succeeding the allowance of such
27 exemption, the total amount of sales tax which would have been payable
28 except for the operation of this subsection shall be recouped in accord-
29 ance with rules and regulations adopted for such purpose by the secretary
30 of revenue;

31 (eee) on and after January 1, 1999, and before January 1, 2001, all
32 sales of materials and services purchased for the original construction,
33 reconstruction, repair or replacement of grain storage facilities, including
34 railroad sidings providing access thereto;

35 (fff) all sales of material handling equipment, racking systems and
36 other related machinery and equipment that is used for the handling,
37 movement or storage of tangible personal property in a warehouse or
38 distribution facility in this state; all sales of installation, repair and main-
39 tenance services performed on such machinery and equipment; and all
40 sales of repair and replacement parts for such machinery and equipment.
41 For purposes of this subsection, a warehouse or distribution facility means
42 a single, fixed location that consists of buildings or structures in a contig-
43 uous area where storage or distribution operations are conducted that are

1 separate and apart from the business' retail operations, if any, and which
2 do not otherwise qualify for exemption as occurring at a manufacturing
3 or processing plant or facility. Material handling and storage equipment
4 shall include aeration, dust control, cleaning, handling and other such
5 equipment that is used in a public grain warehouse or other commercial
6 grain storage facility, whether used for grain handling, grain storage, grain
7 refining or processing, or other grain treatment operation;

8 (ggg) all sales of tangible personal property and services purchased
9 by or on behalf of the Kansas Academy of Science which is exempt from
10 federal income taxation pursuant to section 501(c)(3) of the federal in-
11 ternal revenue code of 1986, and used solely by such academy for the
12 preparation, publication and dissemination of education materials;

13 (hhh) all sales of tangible personal property and services purchased
14 by or on behalf of all domestic violence shelters that are member agencies
15 of the Kansas coalition against sexual and domestic violence;

16 (iii) all sales of personal property and services purchased by an or-
17 ganization which is exempt from federal income taxation pursuant to sec-
18 tion 501(c)(3) of the federal internal revenue code of 1986, and which
19 such personal property and services are used by any such organization in
20 the collection, storage and distribution of food products to nonprofit or-
21 ganizations which distribute such food products to persons pursuant to a
22 food distribution program on a charitable basis without fee or charge, and
23 all sales of tangible personal property or services purchased by a contrac-
24 tor for the purpose of constructing, equipping, reconstructing, maintain-
25 ing, repairing, enlarging, furnishing or remodeling facilities used for the
26 collection and storage of such food products for any such organization
27 which is exempt from federal income taxation pursuant to section
28 501(c)(3) of the federal internal revenue code of 1986, which would be
29 exempt from taxation under the provisions of this section if purchased
30 directly by such organization. Nothing in this subsection shall be deemed
31 to exempt the purchase of any construction machinery, equipment or
32 tools used in the constructing, equipping, reconstructing, maintaining,
33 repairing, enlarging, furnishing or remodeling facilities for any such or-
34 ganization. When any such organization shall contract for the purpose of
35 constructing, equipping, reconstructing, maintaining, repairing, enlarg-
36 ing, furnishing or remodeling facilities, it shall obtain from the state and
37 furnish to the contractor an exemption certificate for the project involved,
38 and the contractor may purchase materials for incorporation in such pro-
39 ject. The contractor shall furnish the number of such certificate to all
40 suppliers from whom such purchases are made, and such suppliers shall
41 execute invoices covering the same bearing the number of such certifi-
42 cate. Upon completion of the project the contractor shall furnish to such
43 organization concerned a sworn statement, on a form to be provided by

1 the director of taxation, that all purchases so made were entitled to ex-
2 emption under this subsection. All invoices shall be held by the contractor
3 for a period of five years and shall be subject to audit by the director of
4 taxation. If any materials purchased under such a certificate are found
5 not to have been incorporated in such facilities or not to have been re-
6 turned for credit or the sales or compensating tax otherwise imposed upon
7 such materials which will not be so incorporated in such facilities reported
8 and paid by such contractor to the director of taxation not later than the
9 20th day of the month following the close of the month in which it shall
10 be determined that such materials will not be used for the purpose for
11 which such certificate was issued, such organization concerned shall be
12 liable for tax on all materials purchased for the project, and upon payment
13 thereof it may recover the same from the contractor together with rea-
14 sonable attorney fees. Any contractor or any agent, employee or subcon-
15 tractor thereof, who shall use or otherwise dispose of any materials pur-
16 chased under such a certificate for any purpose other than that for which
17 such a certificate is issued without the payment of the sales or compen-
18 sating tax otherwise imposed upon such materials, shall be guilty of a
19 misdemeanor and, upon conviction therefor, shall be subject to the pen-
20 alties provided for in subsection (g) of K.S.A. 79-3615, and amendments
21 thereto. Sales tax paid on and after July 1, 2005, but prior to the effective
22 date of this act upon the gross receipts received from any sale exempted
23 by the amendatory provisions of this subsection shall be refunded. Each
24 claim for a sales tax refund shall be verified and submitted to the director
25 of taxation upon forms furnished by the director and shall be accompanied
26 by any additional documentation required by the director. The director
27 shall review each claim and shall refund that amount of sales tax paid as
28 determined under the provisions of this subsection. All refunds shall be
29 paid from the sales tax refund fund upon warrants of the director of
30 accounts and reports pursuant to vouchers approved by the director or
31 the director's designee;

32 (jjj) all sales of dietary supplements dispensed pursuant to a prescrip-
33 tion order by a licensed practitioner or a mid-level practitioner as defined
34 by K.S.A. 65-1626, and amendments thereto. As used in this subsection,
35 "dietary supplement" means any product, other than tobacco, intended
36 to supplement the diet that: (1) Contains one or more of the following
37 dietary ingredients: A vitamin, a mineral, an herb or other botanical, an
38 amino acid, a dietary substance for use by humans to supplement the diet
39 by increasing the total dietary intake or a concentrate, metabolite, con-
40 stituent, extract or combination of any such ingredient; (2) is intended
41 for ingestion in tablet, capsule, powder, softgel, gelcap or liquid form, or
42 if not intended for ingestion, in such a form, is not represented as con-
43 ventional food and is not represented for use as a sole item of a meal or

1 of the diet; and (3) is required to be labeled as a dietary supplement,
2 identifiable by the supplemental facts box found on the label and as re-
3 quired pursuant to 21 C.F.R. § 101.36;

4 (lll) all sales of tangible personal property and services purchased by
5 special olympics Kansas, inc. for the purpose of providing year-round
6 sports training and athletic competition in a variety of olympic-type sports
7 for individuals with intellectual disabilities by giving them continuing op-
8 portunities to develop physical fitness, demonstrate courage, experience
9 joy and participate in a sharing of gifts, skills and friendship with their
10 families, other special olympics athletes and the community, and activities
11 provided or sponsored by such organization, and all sales of tangible per-
12 sonal property by or on behalf of any such organization;

13 (mmm) all sales of tangible personal property purchased by or on
14 behalf of the Marillac Center, Inc., which is exempt from federal income
15 taxation pursuant to section 501(c)(3) of the federal internal revenue
16 code, for the purpose of providing psycho-social-biological and special
17 education services to children, and all sales of any such property by or on
18 behalf of such organization for such purpose;

19 (nnn) all sales of tangible personal property and services purchased
20 by the West Sedgwick County-Sunrise Rotary Club and Sunrise Char-
21 itable Fund for the purpose of constructing a boundless playground which
22 is an integrated, barrier free and developmentally advantageous play en-
23 vironment for children of all abilities and disabilities;

24 (ooo) all sales of tangible personal property by or on behalf of a public
25 library serving the general public and supported in whole or in part with
26 tax money or a not-for-profit organization whose purpose is to raise funds
27 for or provide services or other benefits to any such public library;

28 (ppp) all sales of tangible personal property and services purchased
29 by or on behalf of a homeless shelter which is exempt from federal income
30 taxation pursuant to section 501(c)(3) of the federal income tax code of
31 1986, and used by any such homeless shelter to provide emergency and
32 transitional housing for individuals and families experiencing homeles-
33 ness, and all sales of any such property by or on behalf of any such home-
34 less shelter for any such purpose;

35 (qqq) all sales of tangible personal property and services purchased
36 by TLC for children and families, inc., hereinafter referred to as TLC,
37 which is exempt from federal income taxation pursuant to section
38 501(c)(3) of the federal internal revenue code of 1986, and which such
39 property and services are used for the purpose of providing emergency
40 shelter and treatment for abused and neglected children as well as meet-
41 ing additional critical needs for children, juveniles and family, and all sales
42 of any such property by or on behalf of TLC for any such purpose; and
43 all sales of tangible personal property or services purchased by a contrac-

1 tor for the purpose of constructing, maintaining, repairing, enlarging, fur-
2 nishing or remodeling facilities for the operation of services for TLC for
3 any such purpose which would be exempt from taxation under the pro-
4 visions of this section if purchased directly by TLC. Nothing in this sub-
5 section shall be deemed to exempt the purchase of any construction ma-
6 chinery, equipment or tools used in the constructing, maintaining,
7 repairing, enlarging, furnishing or remodeling such facilities for TLC.
8 When TLC contracts for the purpose of constructing, maintaining, re-
9 pairing, enlarging, furnishing or remodeling such facilities, it shall obtain
10 from the state and furnish to the contractor an exemption certificate for
11 the project involved, and the contractor may purchase materials for in-
12 corporation in such project. The contractor shall furnish the number of
13 such certificate to all suppliers from whom such purchases are made, and
14 such suppliers shall execute invoices covering the same bearing the num-
15 ber of such certificate. Upon completion of the project the contractor
16 shall furnish to TLC a sworn statement, on a form to be provided by the
17 director of taxation, that all purchases so made were entitled to exemption
18 under this subsection. All invoices shall be held by the contractor for a
19 period of five years and shall be subject to audit by the director of taxation.
20 If any materials purchased under such a certificate are found not to have
21 been incorporated in the building or other project or not to have been
22 returned for credit or the sales or compensating tax otherwise imposed
23 upon such materials which will not be so incorporated in the building or
24 other project reported and paid by such contractor to the director of
25 taxation not later than the 20th day of the month following the close of
26 the month in which it shall be determined that such materials will not be
27 used for the purpose for which such certificate was issued, TLC shall be
28 liable for tax on all materials purchased for the project, and upon payment
29 thereof it may recover the same from the contractor together with rea-
30 sonable attorney fees. Any contractor or any agent, employee or subcon-
31 tractor thereof, who shall use or otherwise dispose of any materials pur-
32 chased under such a certificate for any purpose other than that for which
33 such a certificate is issued without the payment of the sales or compen-
34 sating tax otherwise imposed upon such materials, shall be guilty of a
35 misdemeanor and, upon conviction therefor, shall be subject to the pen-
36 alties provided for in subsection (g) of K.S.A. 79-3615, and amendments
37 thereto;

38 (rrr) all sales of tangible personal property and services purchased by
39 any county law library maintained pursuant to law and sales of tangible
40 personal property and services purchased by an organization which would
41 have been exempt from taxation under the provisions of this subsection
42 if purchased directly by the county law library for the purpose of providing
43 legal resources to attorneys, judges, students and the general public, and

1 all sales of any such property by or on behalf of any such county law
2 library;

3 (sss) all sales of tangible personal property and services purchased by
4 catholic charities or youthville, hereinafter referred to as charitable family
5 providers, which is exempt from federal income taxation pursuant to sec-
6 tion 501(c)(3) of the federal internal revenue code of 1986, and which
7 such property and services are used for the purpose of providing emer-
8 gency shelter and treatment for abused and neglected children as well as
9 meeting additional critical needs for children, juveniles and family, and
10 all sales of any such property by or on behalf of charitable family providers
11 for any such purpose; and all sales of tangible personal property or serv-
12 ices purchased by a contractor for the purpose of constructing, maintain-
13 ing, repairing, enlarging, furnishing or remodeling facilities for the op-
14 eration of services for charitable family providers for any such purpose
15 which would be exempt from taxation under the provisions of this section
16 if purchased directly by charitable family providers. Nothing in this sub-
17 section shall be deemed to exempt the purchase of any construction ma-
18 chinery, equipment or tools used in the constructing, maintaining, re-
19 pairing, enlarging, furnishing or remodeling such facilities for charitable
20 family providers. When charitable family providers contracts for the pur-
21 pose of constructing, maintaining, repairing, enlarging, furnishing or re-
22 modeling such facilities, it shall obtain from the state and furnish to the
23 contractor an exemption certificate for the project involved, and the con-
24 tractor may purchase materials for incorporation in such project. The
25 contractor shall furnish the number of such certificate to all suppliers
26 from whom such purchases are made, and such suppliers shall execute
27 invoices covering the same bearing the number of such certificate. Upon
28 completion of the project the contractor shall furnish to charitable family
29 providers a sworn statement, on a form to be provided by the director of
30 taxation, that all purchases so made were entitled to exemption under
31 this subsection. All invoices shall be held by the contractor for a period
32 of five years and shall be subject to audit by the director of taxation. If
33 any materials purchased under such a certificate are found not to have
34 been incorporated in the building or other project or not to have been
35 returned for credit or the sales or compensating tax otherwise imposed
36 upon such materials which will not be so incorporated in the building or
37 other project reported and paid by such contractor to the director of
38 taxation not later than the 20th day of the month following the close of
39 the month in which it shall be determined that such materials will not be
40 used for the purpose for which such certificate was issued, charitable
41 family providers shall be liable for tax on all materials purchased for the
42 project, and upon payment thereof it may recover the same from the
43 contractor together with reasonable attorney fees. Any contractor or any

1 agent, employee or subcontractor thereof, who shall use or otherwise
2 dispose of any materials purchased under such a certificate for any pur-
3 pose other than that for which such a certificate is issued without the
4 payment of the sales or compensating tax otherwise imposed upon such
5 materials, shall be guilty of a misdemeanor and, upon conviction therefor,
6 shall be subject to the penalties provided for in subsection (g) of K.S.A.
7 79-3615, and amendments thereto;

8 (ttt) all sales of tangible personal property or services purchased by
9 a contractor for a project for the purpose of restoring, constructing, equip-
10 ping, reconstructing, maintaining, repairing, enlarging, furnishing or re-
11 modeling a home or facility owned by a nonprofit museum which has
12 been granted an exemption pursuant to subsection (qq), which such home
13 or facility is located in a city which has been designated as a qualified
14 hometown pursuant to the provisions of K.S.A. 75-5071 et seq., and
15 amendments thereto, and which such project is related to the purposes
16 of K.S.A. 75-5071 et seq., and amendments thereto, and which would be
17 exempt from taxation under the provisions of this section if purchased
18 directly by such nonprofit museum. Nothing in this subsection shall be
19 deemed to exempt the purchase of any construction machinery, equip-
20 ment or tools used in the restoring, constructing, equipping, reconstruct-
21 ing, maintaining, repairing, enlarging, furnishing or remodeling a home
22 or facility for any such nonprofit museum. When any such nonprofit mu-
23 seum shall contract for the purpose of restoring, constructing, equipping,
24 reconstructing, maintaining, repairing, enlarging, furnishing or remodel-
25 ing a home or facility, it shall obtain from the state and furnish to the
26 contractor an exemption certificate for the project involved, and the con-
27 tractor may purchase materials for incorporation in such project. The
28 contractor shall furnish the number of such certificates to all suppliers
29 from whom such purchases are made, and such suppliers shall execute
30 invoices covering the same bearing the number of such certificate. Upon
31 completion of the project, the contractor shall furnish to such nonprofit
32 museum a sworn statement on a form to be provided by the director of
33 taxation that all purchases so made were entitled to exemption under this
34 subsection. All invoices shall be held by the contractor for a period of five
35 years and shall be subject to audit by the director of taxation. If any
36 materials purchased under such a certificate are found not to have been
37 incorporated in the building or other project or not to have been returned
38 for credit or the sales or compensating tax otherwise imposed upon such
39 materials which will not be so incorporated in a home or facility or other
40 project reported and paid by such contractor to the director of taxation
41 not later than the 20th day of the month following the close of the month
42 in which it shall be determined that such materials will not be used for
43 the purpose for which such certificate was issued, such nonprofit museum

1 shall be liable for tax on all materials purchased for the project, and upon
2 payment thereof it may recover the same from the contractor together
3 with reasonable attorney fees. Any contractor or any agent, employee or
4 subcontractor thereof, who shall use or otherwise dispose of any materials
5 purchased under such a certificate for any purpose other than that for
6 which such a certificate is issued without the payment of the sales or
7 compensating tax otherwise imposed upon such materials, shall be guilty
8 of a misdemeanor and, upon conviction therefor, shall be subject to the
9 penalties provided for in subsection (g) of K.S.A. 79-3615, and amend-
10 ments thereto;

11 (uuu) all sales of tangible personal property and services purchased
12 by Kansas children's service league, hereinafter referred to as KCSL,
13 which is exempt from federal income taxation pursuant to section
14 501(c)(3) of the federal internal revenue code of 1986, and which such
15 property and services are used for the purpose of providing for the pre-
16 vention and treatment of child abuse and maltreatment as well as meeting
17 additional critical needs for children, juveniles and family, and all sales of
18 any such property by or on behalf of KCSL for any such purpose; and all
19 sales of tangible personal property or services purchased by a contractor
20 for the purpose of constructing, maintaining, repairing, enlarging, fur-
21 nishing or remodeling facilities for the operation of services for KCSL
22 for any such purpose which would be exempt from taxation under the
23 provisions of this section if purchased directly by KCSL. Nothing in this
24 subsection shall be deemed to exempt the purchase of any construction
25 machinery, equipment or tools used in the constructing, maintaining, re-
26 pairing, enlarging, furnishing or remodeling such facilities for KCSL.
27 When KCSL contracts for the purpose of constructing, maintaining, re-
28 pairing, enlarging, furnishing or remodeling such facilities, it shall obtain
29 from the state and furnish to the contractor an exemption certificate for
30 the project involved, and the contractor may purchase materials for in-
31 corporation in such project. The contractor shall furnish the number of
32 such certificate to all suppliers from whom such purchases are made, and
33 such suppliers shall execute invoices covering the same bearing the num-
34 ber of such certificate. Upon completion of the project the contractor
35 shall furnish to KCSL a sworn statement, on a form to be provided by
36 the director of taxation, that all purchases so made were entitled to ex-
37 emption under this subsection. All invoices shall be held by the contractor
38 for a period of five years and shall be subject to audit by the director of
39 taxation. If any materials purchased under such a certificate are found
40 not to have been incorporated in the building or other project or not to
41 have been returned for credit or the sales or compensating tax otherwise
42 imposed upon such materials which will not be so incorporated in the
43 building or other project reported and paid by such contractor to the

1 director of taxation not later than the 20th day of the month following
2 the close of the month in which it shall be determined that such materials
3 will not be used for the purpose for which such certificate was issued,
4 KCSL shall be liable for tax on all materials purchased for the project,
5 and upon payment thereof it may recover the same from the contractor
6 together with reasonable attorney fees. Any contractor or any agent, em-
7 ployee or subcontractor thereof, who shall use or otherwise dispose of
8 any materials purchased under such a certificate for any purpose other
9 than that for which such a certificate is issued without the payment of
10 the sales or compensating tax otherwise imposed upon such materials,
11 shall be guilty of a misdemeanor and, upon conviction therefor, shall be
12 subject to the penalties provided for in subsection (g) of K.S.A. 79-3615,
13 and amendments thereto;

14 (vvv) all sales of tangible personal property or services, including the
15 renting and leasing of tangible personal property or services, purchased
16 by Jazz in the Woods, Inc., a Kansas corporation which is exempt from
17 federal income taxation pursuant to section 501(c)(3) of the federal in-
18 ternal revenue code, for the purpose of providing Jazz in the Woods, an
19 event benefiting children-in-need and other nonprofit charities assisting
20 such children, and all sales of any such property by or on behalf of such
21 organization for such purpose;

22 (www) all sales of tangible personal property purchased by or on be-
23 half of the Frontenac Education Foundation, which is exempt from fed-
24 eral income taxation pursuant to section 501(c)(3) of the federal internal
25 revenue code, for the purpose of providing education support for stu-
26 dents, and all sales of any such property by or on behalf of such organi-
27 zation for such purpose;

28 (xxx) all sales of personal property and services purchased by the
29 booth theatre foundation, inc., an organization which is exempt from fed-
30 eral income taxation pursuant to section 501(c)(3) of the federal internal
31 revenue code of 1986, and which such personal property and services are
32 used by any such organization in the constructing, equipping, recon-
33 structing, maintaining, repairing, enlarging, furnishing or remodeling of
34 the booth theatre, and all sales of tangible personal property or services
35 purchased by a contractor for the purpose of constructing, equipping,
36 reconstructing, maintaining, repairing, enlarging, furnishing or remodel-
37 ing the booth theatre for such organization, which would be exempt from
38 taxation under the provisions of this section if purchased directly by such
39 organization. Nothing in this subsection shall be deemed to exempt the
40 purchase of any construction machinery, equipment or tools used in the
41 constructing, equipping, reconstructing, maintaining, repairing, enlarg-
42 ing, furnishing or remodeling facilities for any such organization. When
43 any such organization shall contract for the purpose of constructing,

1 equipping, reconstructing, maintaining, repairing, enlarging, furnishing
2 or remodeling facilities, it shall obtain from the state and furnish to the
3 contractor an exemption certificate for the project involved, and the con-
4 tractor may purchase materials for incorporation in such project. The
5 contractor shall furnish the number of such certificate to all suppliers
6 from whom such purchases are made, and such suppliers shall execute
7 invoices covering the same bearing the number of such certificate. Upon
8 completion of the project the contractor shall furnish to such organization
9 concerned a sworn statement, on a form to be provided by the director
10 of taxation, that all purchases so made were entitled to exemption under
11 this subsection. All invoices shall be held by the contractor for a period
12 of five years and shall be subject to audit by the director of taxation. If
13 any materials purchased under such a certificate are found not to have
14 been incorporated in such facilities or not to have been returned for credit
15 or the sales or compensating tax otherwise imposed upon such materials
16 which will not be so incorporated in such facilities reported and paid by
17 such contractor to the director of taxation not later than the 20th day of
18 the month following the close of the month in which it shall be deter-
19 mined that such materials will not be used for the purpose for which such
20 certificate was issued, such organization concerned shall be liable for tax
21 on all materials purchased for the project, and upon payment thereof it
22 may recover the same from the contractor together with reasonable at-
23 torney fees. Any contractor or any agent, employee or subcontractor
24 thereof, who shall use or otherwise dispose of any materials purchased
25 under such a certificate for any purpose other than that for which such a
26 certificate is issued without the payment of the sales or compensating tax
27 otherwise imposed upon such materials, shall be guilty of a misdemeanor
28 and, upon conviction therefor, shall be subject to the penalties provided
29 for in subsection (g) of K.S.A. 79-3615, and amendments thereto. Sales
30 tax paid on and after January 1, 2007, but prior to the effective date of
31 this act upon the gross receipts received from any sale which would have
32 been exempted by the provisions of this subsection had such sale occurred
33 after the effective date of this act shall be refunded. Each claim for a
34 sales tax refund shall be verified and submitted to the director of taxation
35 upon forms furnished by the director and shall be accompanied by any
36 additional documentation required by the director. The director shall
37 review each claim and shall refund that amount of sales tax paid as de-
38 termined under the provisions of this subsection. All refunds shall be paid
39 from the sales tax refund fund upon warrants of the director of accounts
40 and reports pursuant to vouchers approved by the director or the direc-
41 tor's designee;

42 (yyy) all sales of tangible personal property and services purchased
43 by TLC charities foundation, inc., hereinafter referred to as TLC chari-

1 ties, which is exempt from federal income taxation pursuant to section
2 501(c)(3) of the federal internal revenue code of 1986, and which such
3 property and services are used for the purpose of encouraging private
4 philanthropy to further the vision, values, and goals of TLC for children
5 and families, inc.; and all sales of such property and services by or on
6 behalf of TLC charities for any such purpose and all sales of tangible
7 personal property or services purchased by a contractor for the purpose
8 of constructing, maintaining, repairing, enlarging, furnishing or remodel-
9 ing facilities for the operation of services for TLC charities for any such
10 purpose which would be exempt from taxation under the provisions of
11 this section if purchased directly by TLC charities. Nothing in this sub-
12 section shall be deemed to exempt the purchase of any construction ma-
13 chinery, equipment or tools used in the constructing, maintaining, re-
14 pairing, enlarging, furnishing or remodeling such facilities for TLC
15 charities. When TLC charities contracts for the purpose of constructing,
16 maintaining, repairing, enlarging, furnishing or remodeling such facilities,
17 it shall obtain from the state and furnish to the contractor an exemption
18 certificate for the project involved, and the contractor may purchase ma-
19 terials for incorporation in such project. The contractor shall furnish the
20 number of such certificate to all suppliers from whom such purchases are
21 made, and such suppliers shall execute invoices covering the same bearing
22 the number of such certificate. Upon completion of the project the con-
23 tractor shall furnish to TLC charities a sworn statement, on a form to be
24 provided by the director of taxation, that all purchases so made were
25 entitled to exemption under this subsection. All invoices shall be held by
26 the contractor for a period of five years and shall be subject to audit by
27 the director of taxation. If any materials purchased under such a certifi-
28 cate are found not to have been incorporated in the building or other
29 project or not to have been returned for credit or the sales or compen-
30 sating tax otherwise imposed upon such materials which will not be in-
31 corporated into the building or other project reported and paid by such
32 contractor to the director of taxation not later than the 20th day of the
33 month following the close of the month in which it shall be determined
34 that such materials will not be used for the purpose for which such cer-
35 tificate was issued, TLC charities shall be liable for tax on all materials
36 purchased for the project, and upon payment thereof it may recover the
37 same from the contractor together with reasonable attorney fees. Any
38 contractor or any agent, employee or subcontractor thereof, who shall use
39 or otherwise dispose of any materials purchased under such a certificate
40 for any purpose other than that for which such a certificate is issued
41 without the payment of the sales or compensating tax otherwise imposed
42 upon such materials, shall be guilty of a misdemeanor and, upon convic-
43 tion therefor, shall be subject to the penalties provided for in subsection

- 1 (g) of K.S.A. 79-3615, and amendments thereto;
- 2 (zzz) all sales of tangible personal property purchased by the rotary
3 club of shawnee foundation which is exempt from federal income taxation
4 pursuant to section 501(c)(3) of the federal internal revenue code of 1986,
5 as amended, used for the purpose of providing contributions to com-
6 munity service organizations and scholarships;
- 7 (aaaa) all sales of personal property and services purchased by or on
8 behalf of victory in the valley, inc., which is exempt from federal income
9 taxation pursuant to section 501(c)(3) of the federal internal revenue
10 code, for the purpose of providing a cancer support group and services
11 for persons with cancer, and all sales of any such property by or on behalf
12 of any such organization for any such purpose;
- 13 (bbbb) all sales of entry or participation fees, charges or tickets by
14 Guadalupe health foundation, which is exempt from federal income tax-
15 ation pursuant to section 501(c)(3) of the federal internal revenue code,
16 for such organization's annual fundraising event which purpose is to pro-
17 vide health care services for uninsured workers;
- 18 (cccc) all sales of tangible personal property or services purchased by
19 or on behalf of wayside waifs, inc., which is exempt from federal income
20 taxation pursuant to section 501(c)(3) of the federal internal revenue
21 code, for the purpose of providing such organization's annual fundraiser,
22 an event whose purpose is to support the care of homeless and abandoned
23 animals, animal adoption efforts, education programs for children and
24 efforts to reduce animal over-population and animal welfare services, and
25 all sales of any such property, including entry or participation fees or
26 charges, by or on behalf of such organization for such purpose;
- 27 (dddd) all sales of tangible personal property or services purchased
28 by or on behalf of Goodwill Industries or Easter Seals of Kansas, Inc.,
29 both of which are exempt from federal income taxation pursuant to sec-
30 tion 501(c)(3) of the federal internal revenue code, for the purpose of
31 providing education, training and employment opportunities for people
32 with disabilities and other barriers to employment;
- 33 (eeee) all sales of tangible personal property or services purchased by
34 or on behalf of All American Beef Battalion, Inc., which is exempt from
35 federal income taxation pursuant to section 501(c)(3) of the federal in-
36 ternal revenue code, for the purpose of educating, promoting and partic-
37 ipating as a contact group through the beef cattle industry in order to
38 carry out such projects that provide support and morale to members of
39 the United States armed forces and military services; and
- 40 (ffff) all sales of tangible personal property and services purchased by
41 sheltered living, inc., which is exempt from federal income taxation pur-
42 suant to section 501(c)(3) of the federal internal revenue code of 1986,
43 and which such property and services are used for the purpose of provid-

1 ing residential and day services for people with developmental disabilities
2 or mental retardation, or both, and all sales of any such property by or
3 on behalf of sheltered living, inc. for any such purpose; and all sales of
4 tangible personal property or services purchased by a contractor for the
5 purpose of rehabilitating, constructing, maintaining, repairing, enlarging,
6 furnishing or remodeling homes and facilities for sheltered living, inc. for
7 any such purpose which would be exempt from taxation under the pro-
8 visions of this section if purchased directly by sheltered living, inc. Noth-
9 ing in this subsection shall be deemed to exempt the purchase of any
10 construction machinery, equipment or tools used in the constructing,
11 maintaining, repairing, enlarging, furnishing or remodeling such homes
12 and facilities for sheltered living, inc. When sheltered living, inc. contracts
13 for the purpose of rehabilitating, constructing, maintaining, repairing, en-
14 larging, furnishing or remodeling such homes and facilities, it shall obtain
15 from the state and furnish to the contractor an exemption certificate for
16 the project involved, and the contractor may purchase materials for in-
17 corporation in such project. The contractor shall furnish the number of
18 such certificate to all suppliers from whom such purchases are made, and
19 such suppliers shall execute invoices covering the same bearing the num-
20 ber of such certificate. Upon completion of the project the contractor
21 shall furnish to sheltered living, inc. a sworn statement, on a form to be
22 provided by the director of taxation, that all purchases so made were
23 entitled to exemption under this subsection. All invoices shall be held by
24 the contractor for a period of five years and shall be subject to audit by
25 the director of taxation. If any materials purchased under such a certifi-
26 cate are found not to have been incorporated in the building or other
27 project or not to have been returned for credit or the sales or compen-
28 sating tax otherwise imposed upon such materials which will not be so
29 incorporated in the building or other project reported and paid by such
30 contractor to the director of taxation not later than the 20th day of the
31 month following the close of the month in which it shall be determined
32 that such materials will not be used for the purpose for which such cer-
33 tificate was issued, sheltered living, inc. shall be liable for tax on all ma-
34 terials purchased for the project, and upon payment thereof it may re-
35 cover the same from the contractor together with reasonable attorney
36 fees. Any contractor or any agent, employee or subcontractor thereof,
37 who shall use or otherwise dispose of any materials purchased under such
38 a certificate for any purpose other than that for which such a certificate
39 is issued without the payment of the sales or compensating tax otherwise
40 imposed upon such materials, shall be guilty of a misdemeanor and, upon
41 conviction therefor, shall be subject to the penalties provided for in sub-
42 section (g) of K.S.A. 79-3615, and amendments thereto.

43 Sec. 43. K.S.A. 2009 Supp. 79-3620 is hereby amended to read as

1 follows: 79-3620. (a) All revenue collected or received by the director of
2 taxation from the taxes imposed by this act shall be remitted to the state
3 treasurer in accordance with the provisions of K.S.A. 75-4215, and
4 amendments thereto. Upon receipt of each such remittance, the state
5 treasurer shall deposit the entire amount in the state treasury, less
6 amounts withheld as provided in subsection (b) and amounts credited as
7 provided in subsection (c) and (d), to the credit of the state general fund.

8 (b) A refund fund, designated as “sales tax refund fund” not to exceed
9 \$100,000 shall be set apart and maintained by the director from sales tax
10 collections and estimated tax collections and held by the state treasurer
11 for prompt payment of all sales tax refunds including refunds authorized
12 under the provisions of K.S.A. 79-3635, and amendments thereto. Such
13 fund shall be in such amount, within the limit set by this section, as the
14 director shall determine is necessary to meet current refunding require-
15 ments under this act. In the event such fund as established by this section
16 is, at any time, insufficient to provide for the payment of refunds due
17 claimants thereof, the director shall certify the amount of additional funds
18 required to the director of accounts and reports who shall promptly trans-
19 fer the required amount from the state general fund to the sales tax refund
20 fund, and notify the state treasurer, who shall make proper entry in the
21 records.

22 (c) (1) The state treasurer shall credit $\frac{5}{98}$ of the revenue collected
23 or received from the tax imposed by K.S.A. 79-3603, and amendments
24 thereto, at the rate of 4.9%, and deposited as provided in subsection (a),
25 exclusive of amounts credited pursuant to subsection (d), in the state
26 highway fund.

27 (2) The state treasurer shall credit $\frac{5}{106}$ of the revenue collected or
28 received from the tax imposed by K.S.A. 79-3603, and amendments
29 thereto, at the rate of 5.3%, and deposited as provided in subsection (a),
30 exclusive of amounts credited pursuant to subsection (d), in the state
31 highway fund.

32 (3) On July 1, 2006, the state treasurer shall credit $\frac{19}{265}$ of the rev-
33 enue collected and received from the tax imposed by K.S.A. 79-3603, and
34 amendments thereto, at the rate of 5.3%, and deposited as provided by
35 subsection (a), exclusive of amounts credited pursuant to subsection (d),
36 in the state highway fund.

37 (4) On July 1, 2007, the state treasurer shall credit $\frac{13}{106}$ of the rev-
38 enue collected and received from the tax imposed by K.S.A. 79-3603, and
39 amendments thereto, at the rate of 5.3%, and deposited as provided by
40 subsection (a), exclusive of amounts credited pursuant to subsection (d),
41 in the state highway fund.

42 (d) The state treasurer shall credit all revenue collected or received
43 from the tax imposed by K.S.A. 79-3603, and amendments thereto, as

1 certified by the director, from taxpayers doing business within that por-
2 tion of a STAR bond project district occupied by a STAR bond project
3 or taxpayers doing business with such entity financed by a STAR bond
4 project as defined in K.S.A. 2009 Supp. 12-17,162, and amendments
5 thereto, that was determined by the secretary of commerce to be of state-
6 wide as well as local importance or will create a major tourism area for
7 the state or the project was designated as a STAR bond project as defined
8 in K.S.A. 2009 Supp. 12-17,162, and amendments thereto, to the city
9 bond finance fund, which fund is hereby created. The provisions of this
10 subsection shall expire when the total of all amounts credited hereunder
11 and under subsection (d) of K.S.A. 79-3710, and amendments thereto, is
12 sufficient to retire the special obligation bonds issued for the purpose of
13 financing all or a portion of the costs of such STAR bond project.

14 *(e) On and after January 1, 2013, the state treasurer shall credit all*
15 *revenue collected or received from the tax imposed by K.S.A. 79-3603,*
16 *and amendments thereto, as certified by the director, from the sale of*
17 *motor-vehicle fuels to the state highway fund.*

18 Sec. 44. K.S.A. 8-143b, 8-143c, 8-143g, 8-143h, 8-143i, 8-143k, 8-
19 195, 8-234b, 8-2409, 12-1775, 68-416, 68-20,120, 68-2314a, 68-2320, 68-
20 2321 and 68-2328 and K.S.A. 2009 Supp. 8-142, 8-143, 8-143j, 8-143l, 8-
21 145, 8-172, 8-2406, 8-2425, 12-6a35, 12-6a36, 12-1774, 12-1774a,
22 12-17,148, 12-17,149, 68-2315, 68-2331, 75-5063, 75-5064, 75-5160, 79-
23 3408c, 79-3491a, 79-3492b, 79-34,118, 79-34,141, 79-34,142, 79-3606
24 and 79-3620 are hereby repealed.

25 Sec. 45. This act shall take effect and be in force from and after its
26 publication in the statute book.