

SESSION OF 2007

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 115**

As Amended by House Committee on  
Taxation

**Brief\***

SB 115, as amended, would authorize the Secretary of Revenue to suspend or revoke the sales tax registration certificate of certain taxpayers found in default for at least 60 days in the remittance of the tax or failure to file returns. Prior to such suspension or revocation, the Secretary would be required to provide 30 days' notice regarding a show-cause hearing to be conducted under the Kansas Administrative Procedure Act (KAPA). Suspended or revoked certificates could not be reinstated until all extant tax, penalty and interest liabilities had been satisfied. Suspensions or revocations also would be deemed to apply to all individuals who are responsible parties for the collection or payment of sales taxes.

Finally, additional language clarifies that it would be unlawful for any person to engage in the business of selling tangible personal property or furnishing taxable services after such person's certificate had been suspended or revoked.

The bill would become effective upon publication in the *Kansas Register*.

**Background**

The original bill, which was supported by the Department of Revenue, would have established the violation for persons selling property or services with suspended or revoked registration certificates as a class A, nonperson misdemeanor.

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

The Senate Committee removed this provision after being advised that the penalty for violation of various requirements of the Kansas Retailers' Sales Tax Act already is addressed pursuant to KSA 79-3615 (h).

Other Senate Committee amendments included increasing from 10 to 30 days the amount of time the Secretary would be required to provide notice of the show-cause hearings; and clarifying that such hearings would be required to be held pursuant to KAPA.

The House Committee amended the bill to accelerate the effective date to publication in the *Kansas Register*.

A fiscal note indicated that the bill would not be expected to increase or decrease state revenues or expenditures.