

SENATE BILL No. 434

By Committee on Federal and State Affairs

2-2

1 AN ACT concerning taxation; relating to veterans and military; providing
2 for a new determination of disability for the purposes of certain
3 retailer's sales tax exemptions; amending K.S.A. 2025 Supp. 79-3606h
4 and repealing the existing section.
5

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

7 Section 1. K.S.A. 2025 Supp. 79-3606h is hereby amended to read as
8 follows: 79-3606h. (a) On and after July 1, 2026, notwithstanding any
9 provision of law to the contrary, all sales of tangible personal property or
10 services, except sales of motor vehicles, alcoholic beverages, tobacco,
11 electronic cigarettes as defined by K.S.A. 79-3301, and amendments
12 thereto, and consumable material as defined by K.S.A. 79-3399, and
13 amendments thereto, for such electronic cigarettes, to persons who are
14 residents of this state and have been honorably discharged from active
15 service in any branch *component* of the armed forces of the United States
16 and ~~who are certified by the United States department of veterans affairs or~~
17 ~~its successor to have a 100% disability or be deemed totally disabled or~~
18 ~~unemployable, provided that the disability is permanent and was sustained~~
19 ~~through military action or accident or resulted from disease contracted~~
20 ~~while in such active service, were determined by the secretary of such~~
21 ~~component under 10 U.S.C. Chapter 61 or 38 U.S.C. Chapter 11 to be~~
22 ~~rated with a 100% permanent and total service-connected disability or a~~
23 ~~total disability rating based on unemployability according to 38 C.F.R. §~~
24 ~~4.17~~ shall be exempt from the tax imposed by the Kansas retailers' sales
25 tax act. Sales of items or services for the benefit of the eligible person, as
26 provided by this section, that are purchased on behalf of such eligible
27 person by a spouse or by a member of the household in which the eligible
28 person resides and who is authorized to make purchases on the eligible
29 person's behalf shall also be exempt for purposes of this section. The
30 surviving spouse of an eligible person who was receiving an exemption
31 pursuant to this section at the time of such person's death shall be eligible
32 to continue to receive such exemption until the surviving spouse remarries.
33 This exemption shall apply only to such property and services that are
34 used or will be used for the personal use of the eligible person or such
35 person's spouse or surviving spouse and not used for the production of
36 income.

1 (b) Sales qualifying for the exemption authorized by this section shall
2 not exceed \$24,000 per year per eligible person.

3 (c) Prior to claiming any such exemption, an eligible person claiming
4 an exemption pursuant to this section shall apply to and obtain from the
5 secretary of revenue a veteran exemption identification number. The
6 secretary shall prescribe the application form for such number, and such
7 eligible person shall provide with the application information sufficient to
8 establish that such eligible person qualifies for the sales tax exemption.
9 The department of revenue shall also provide to each qualifying eligible
10 person an exemption certificate in the form of a driver's-license-size card
11 that includes the veteran exemption identification number of such eligible
12 person and any other information necessary to prove eligibility to any
13 retailer. Such eligible person shall present the exemption certificate card or
14 enter the issued identification number on any exemption certificate
15 presented to any retailer when claiming the sales tax exemption on any
16 qualifying purchases.

17 (d) Upon request of the secretary, an eligible person asserting or
18 claiming the exemption authorized by this section shall provide a
19 statement, executed under oath, that the total sales amounts for which the
20 exemption is applicable have not exceeded the individual taxpayer's yearly
21 limit prescribed by this section. If the amount of such exempt sales
22 exceeds such prescribed limit, the sales tax in excess of the authorized
23 amount shall be treated as a direct sales tax liability and may be recovered
24 by the department of revenue in the same manner as provided by the
25 Kansas retailers' sales tax act.

26 (e) This section shall be a part of and supplemental to the Kansas
27 retailers' sales tax act.

28 Sec. 2. K.S.A. 2025 Supp. 79-3606h is hereby repealed.

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