

HOUSE BILL No. 2290

By Committee on Education

2-10

1 AN ACT concerning taxation; relating to mineral severance tax;
2 distribution of revenue; amending K.S.A. 2010 Supp. 79-4227 and
3 repealing the existing section.
4

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

6 Section 1. K.S.A. 2010 Supp. 79-4227 is hereby amended to read as
7 follows: 79-4227. (a) All revenue collected or received by the director
8 from the tax imposed by this act shall be remitted to the state treasurer in
9 accordance with the provisions of K.S.A. 75-4215, and amendments
10 thereto. Upon receipt of each such remittance, the state treasurer shall
11 deposit the entire amount in the state treasury. The state treasurer shall
12 first credit such amount as the director shall order to the mineral
13 production tax refund fund created under subsection (b) ~~of this section.~~
14 Except as otherwise provided by this section, the state treasurer shall
15 credit the remainder of such amounts as follows: (1) Seven percent to the
16 special county mineral production tax fund created under subsection (c)
17 ~~of this section;~~ and (2) the remainder shall be credited to the state general
18 fund. ~~On and after July 1, 2008, and thereafter,~~ The state treasurer shall
19 credit the remainder of such amounts for oil and gas for any county which
20 in ~~fiscal year 2005 or any fiscal year thereafter~~ had \$100,000 or more in
21 receipts of the excise tax upon the severance and production of oil and
22 gas as follows: (1) Seven percent to the special county mineral production
23 tax fund created under subsection (c); (2) ~~4.96% from July 1, 2008,~~
24 ~~through June 30, 2009, to the oil and gas valuation depletion trust fund;~~
25 ~~7.44% from July 1, 2009, through June 30, 2010, to the oil and gas~~
26 ~~valuation depletion trust fund;~~ 9.93% from July 1, 2010, to June 30, 2011,
27 to the oil and gas valuation depletion trust fund; and 12.41% from July 1,
28 2011, and thereafter, to the oil and gas valuation depletion trust fund; and
29 (3) the remainder shall be credited to the state general fund.

30 (b) A refund fund designated as "mineral production tax refund
31 fund" not to exceed \$50,000 is hereby created for the prompt payment of
32 all tax refunds. The mineral production tax refund fund shall be in such
33 amount, within the limit set by this section, as the director shall determine
34 is necessary to meet current refunding requirements under ~~this act the~~
35 *provisions of K.S.A. 79-4216 et seq., and amendments thereto.*

36 (c) There is hereby created a special county mineral production tax

1 fund. On December 1, 1983, and quarterly thereafter, the director of
2 taxation shall distribute all moneys credited to such fund to the county
3 treasurers of all counties in which taxes were levied under K.S.A. 79-
4 4217, and amendments thereto, for the severing and producing of coal, oil
5 or gas from property within the county, in the proportion that the taxes
6 levied upon production in each county bears to the total of all of such
7 taxes levied in all of such counties. Such distribution shall be based on
8 returns filed, with any adjustments or corrections thereto made by the
9 director of taxation.

10 (d) The secretary of revenue shall make provision for the
11 determination of the counties within which taxes are levied under K.S.A.
12 79-4217, and amendments thereto, for the severance of coal, oil or gas
13 and shall certify the same to the director of accounts and reports.

14 (e) The director of accounts and reports shall draw warrants on the
15 state treasurer payable to the county treasurer of each county entitled to
16 payment from the special county mineral production tax fund upon
17 vouchers approved by the director of taxation. Upon receipt of such
18 warrant, each county treasurer shall credit 50% of the amount thereof to
19 the county general fund and shall distribute the remaining 50% thereof to
20 the treasurer of each school district all or any portion of which is located
21 within the county in the proportion that the assessed value of coal, oil and
22 gas properties within each district bears to the total of the assessed value
23 of all coal, oil and gas properties within the county. Such assessed
24 valuation shall be determined upon the basis of the most recent
25 November 1 tax roll. The treasurer of each school district shall credit the
26 entire amount of the moneys so received to the *supplemental* general fund
27 of the school district.

28 Sec. 2. K.S.A. 2010 Supp. 79-4227 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.

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