

2012 Kansas Statutes

79-4220. Mineral severance tax; tax due and payable, when; persons liable for payment and collection; withholding by first purchaser; state lien on production, when. (a) The amount of the tax payable each month under the provisions of K.S.A. 79-4221, and amendments thereto, shall be due and payable on or before the 20th day of the second month following the end of the month in which the coal, oil or gas is removed from the lease or production unit or mine. The tax is upon the producers, as defined in K.S.A. 79-4216, of such coal, oil or gas in the proportion to their respective beneficial interests at the time of severance, but unless the operator of the lease or production unit, upon written notice to the first purchaser and the director, elects to remit the tax, the first purchaser of any oil or gas sold shall collect the amount of the tax due from the producers, as defined by K.S.A. 79-4216, by deducting and withholding such amount from any payments made by such purchaser to the operator, or such producers where payment is made to same directly, and shall remit the same as provided in this act. An operator of an oil or gas lease or production unit, upon having given written notice to the first purchaser and the director, may elect to collect and remit the tax due under this act. If an operator of an oil or gas lease or production unit makes this election, such operator shall collect the total amount of tax due and shall remit the same to the director. The operator of a coal mine shall collect the total amount of tax due and shall remit the same to the director.

In no event shall a producer be relieved of responsibility for the tax until the same has been paid. In the event the tax shall be withheld by a purchaser from payments due an operator or producer and such purchaser fails to make payment of the tax to the state as required herein, the operator or producer shall be entitled to bring an action against such purchaser to recover the amount of tax so withheld together with penalties and interest which may have accrued by failure to make such payment. The operator or producer shall be entitled to reasonable attorney fees and court costs incurred in such action.

(b) The state shall have a lien on all the coal, oil or gas severed in this state in the hands of the operator, any producer or the first or any subsequent purchaser thereof to secure the payment of the tax. In the event any person required herein to pay the tax fails to do so, the director shall proceed against such person to collect the tax in the manner provided by K.S.A. 79-3235 and amendments thereto.

History: L. 1983, ch. 313, § 5; L. 1984, ch. 364, § 2; L. 1987, ch. 393, § 4; July 1.