

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

The Committee on **Taxation** recommends **SB 96**, as amended by Senate Committee, be amended on page 5, in line 9, by striking "79-3398" and inserting "79-3399"; also in line 9, by striking the first "and" and inserting a comma; also in line 9, after "2" by inserting "and section 24";

On page 28, following line 41, by inserting:

"Sec. 25. K.S.A. 2016 Supp. 79-3399 is hereby amended to read as follows: 79-3399.
(a) On and after ~~January~~ July 1, 2017, a tax is hereby imposed upon the privilege of selling or dealing in electronic cigarettes in this state by any person engaged in business as a distributor thereof, at the rate of ~~\$.20~~ \$.05 per milliliter of consumable material for electronic cigarettes and a proportionate tax at the like rate on all fractional parts thereof. For electronic cigarettes in the possession of retail dealers for which tax has not been paid, tax shall be imposed under this subsection at the earliest time the retail dealer: (1) Brings or causes to be brought into this state from without the state electronic cigarettes for sale; (2) makes, manufactures or fabricates electronic cigarettes in this state for sale in this state; or (3) sells electronic cigarettes to consumers within this state.

(b) "Consumable material" means any liquid solution or other material that is depleted as an electronic cigarette is used.

(c) The secretary of revenue shall adopt rules and regulations to implement the provisions of this section."

On page 29, in line 2, by striking "and" and inserting a comma; also in line 2, after "79-

3393" by inserting "and 79-3399";

And by renumbering sections accordingly;

On page 1, in the title, in line 1, after "concerning" by inserting "the Kansas"; also in line 1, after "products" by inserting "act"; also in line 1, by striking "the"; in line 2, by striking all before "definitions"; in line 5, by striking "and" and inserting a comma; also in line 5, after "deposits" by inserting ", taxation of electronic cigarettes"; in line 9, by striking the first "and" and inserting a comma; also in line 9, after "79-3393" by inserting "and 79-3399"; and the bill be passed as amended.

Chairperson