

STREAMLINED SALES AND USE TAX AGREEMENT – KANSAS LEGISLATIVE HISTORY

Special Committee on Taxation

December 12, 2022



KLRD

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2000 Senate Bill 59

Included various sales tax provisions

Included was the “Streamlined Sales Tax Systems for the 21st Century Act”

- **Authorized KDOR to discuss and agree with other states to develop tax system to include remote sellers**
- **Included legislative findings related to competitively neutral taxes and the preservation of the sales tax base**
- **Created legislative oversight committee**

2002 Senate Bill 472

- **Authorized KDOR to become signatory to multistate agreement and prepare for its implementation**
- **Required KDOR to identify all changes in statutes and regulations required to meet agreement compliance requirements**
- **Authorized appointees of Secretary of Revenue, Speaker of House, Senate President, House Minority Leader, and Senate Minority Leader to represent Kansas at meetings related to the agreement**

2003 House Bill 2005

- **Streamlined Agreement had been adopted November 12, 2002**
- **Contained numerous tax provisions**
- **Included were substantive changes required to implement agreement:**
 - Sourcing rules
 - Uniform state and local tax bases
 - Definitional changes

- **Included various tax provisions**
- **Primary implication Streamline Agreement was facilitation of transition to destination-based sourcing**
- **Retailers were authorized to utilize origin-based sourcing from June 30, 2003, through December 31, 2004**
- **Secretary of Revenue authorized to waive penalties and interest for good cause during transition period**

HB 2171 contained numerous sales tax provisions

Streamlined Agreement-relevant provisions:

- **Various definition changes**
- **Modernization of address system for taxing jurisdiction boundaries**
- **Liability protection for retailers in the event incorrect tax is charged after software having been approved by KDOR**

First Kansas statutory changes made in response to Streamlined Agreement amendments.

SB 430 included various tax provisions

Streamlined Agreement-relevant provisions:

- **Liability protection for retailers acting in good faith**
- **Liability protection elimination if audit reveals intent to evade tax**
- **Removal of certain statutory subsection and signature requirements related to sales tax exemption certificates**

Most recent Kansas statutory changes made in response to Streamlined Agreement amendments.



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