AN ACT concerning sales taxation; relating to community improvement
districts; notice of rate of tax; amending K.S.A. 2010 Supp. 12-6a31
and repealing the existing section.

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

Section 1. K.S.A. 2010 Supp. 12-6a31 is hereby amended to read as
follows: 12-6a31. (a) In addition to and notwithstanding any limitations
on the aggregate amount of the retailers' sales tax contained in K.S.A. 12-
187 through 12-197, and amendments thereto, any municipality may
impose a community improvement district sales tax on the selling of
tangible personal property at retail or rendering or furnishing services
taxable pursuant to the provisions of the Kansas retailers' sales tax act,
and amendments thereto, within a community improvement district for
purposes of financing a project in such district in any increment of .10%
or .25% not to exceed 2% and pledging the revenue received therefrom to
pay the bonds issued for the project or to reimburse the cost of the project
pursuant to pay-as-you-go financing. In the event bonds are issued to
finance a project or refunding bonds issued therefore, the community
improvement district sales tax imposed pursuant to this section shall
expire no later than the date such bonds shall mature. In the event pay-as-
you-go financing is utilized, the community improvement district sales
tax shall expire 22 years from the date the state director of taxation begins
collecting such tax or when the project bonds or pay-as-you-go costs have
been paid. Except as otherwise provided by the provisions of K.S.A. 2010
Supp. 12-6a27 et seq., and amendments thereto, the tax authorized by this
section shall be administered, collected and subject to the provisions of
K.S.A. 12-187 through 12-197, inclusive, and amendments thereto.

(b) Upon receipt of a certified copy of the resolution or ordinance
authorizing the levy of the community improvement district sales tax
pursuant to this section, the state director of taxation shall cause such tax
to be collected in the district at the same time and in the same manner
provided for the collection of the state retailers' sales tax. All of the taxes
collected under the provisions of this act shall be remitted by the
secretary of revenue to the state treasurer in accordance with the
provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of
each such remittance, the state treasurer shall deposit the entire amount in
the state treasury, and the state treasurer shall credit 2% of all taxes so
collected to the community improvement district sales tax administration
fund, which fund is hereby established in the state treasury, to defray the
expenses of the department of revenue in administration and enforcement
of the collection thereof. The aggregate amount of moneys credited to the
community improvement district sales tax administration fund shall not
exceed $60,000 in any state fiscal year. The remainder of such taxes shall
be credited to the community improvement district sales tax fund, which
fund is hereby established in the state treasury. All moneys in the
community improvement district sales tax fund shall be remitted at least
quarterly by the state treasurer, on instruction from the secretary of
revenue, to the treasurers of those municipalities which are qualified to
receive disbursements from such fund for the amount collected within
such municipality. Any refund due on any community improvement
district sales tax collected pursuant to this section shall be paid out of the
community improvement district sales tax refund fund which is hereby
established in the state treasury and reimbursed by the director of taxation
from collections of the community improvement district sales tax
authorized by this section. Community improvement district sales tax
received by a municipality pursuant to this section shall be deposited in
the community improvement district sales tax fund created pursuant to
K.S.A. 2010 Supp. 12-6a34, and amendments thereto.

(c) Notwithstanding any other provisions of law to the contrary,
copies of all retailers' sales and use tax returns filed with the secretary of
revenue in connection with a district for which sales or use tax revenues,
or both, are pledged or otherwise intended to be used in whole or in part
for the payment of bonds issued to finance costs of a project, shall be
provided by the secretary of revenue to the bond trustee, escrow agent or
paying agent for such bonds upon a written request of the municipality
within 15 days of receipt by the secretary of revenue. The bond trustee,
escrow agent or paying agent shall keep such retailers' sales and use tax
returns and the information contained therein confidential, but may use
such information for purposes of allocating and depositing such sales and
use tax revenues in connection with the bonds used to finance costs of a
project. Except as otherwise provided herein, the sales and use tax returns
received by the bond trustee, escrow agent or paying agent shall be
subject to the provisions of K.S.A. 79-3614, and amendments thereto.

(d) Any retailer collecting the tax described in subsection (a) shall
cause to be printed on any receipt issued to a purchaser or user: (1) The
rate of the community improvement district sales tax; and (2) how much
tax was generated by the community improvement district sales tax rate.

Sec. 2. K.S.A. 2010 Supp. 12-6a31 is hereby repealed.

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