79-3685. Same; relief from liability of CSP or certain sellers for not collecting correct amount of sales or use taxes in certain circumstances. (a) If the secretary has certified a CSP's software program as a CAS after determining that the CSP's software program adequately classifies product-based exemptions, which are exemptions based on the description of the product and not based on who purchases the product or how the purchaser intends to use the product, and has accepted the classifications made by such system, then the CSP or model 2 seller is relieved from liability for not collecting sales or use taxes resulting from the CSP or model 2 seller relying on the certification provided by the secretary that the software program submitted by the CSP for review adequately classifies product-based exemptions. A CSP is relieved from liability for not collecting sales and use taxes in the same manner as sellers are relieved from liability under the provisions of K.S.A. 79-3609 and 79-3651, and amendments thereto.

(b) The secretary shall not be responsible for classification of an item or transaction within the product-based exemptions certified. The relief from liability provided in this section shall not be available for a CSP or model 2 seller that has incorrectly classified an item or transaction into a product-based exemption certified by the secretary. This subsection shall not apply to the individual listing of items or transactions within a product definition approved by the secretary. If the secretary determines that an item or transaction is incorrectly classified as to its taxability, the secretary shall notify the CSP or model 2 seller of the incorrect classification. The CSP or model 2 seller shall have 10 days to revise the classification after receipt of notice from the secretary of the determination. Upon expiration of the 10 days, the CSP or model 2 seller shall be liable for the failure to collect the correct amount of sales or use taxes due and owing.

History: L. 2007, ch. 155, § 16; July 1.