

## HOUSE BILL No. 2994

By Committee on Taxation

2-19

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AN ACT imposing an excise tax upon the privilege of engaging in a development activity.

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

Section 1. (a) There is hereby imposed an excise tax upon the privilege of engaging in a development activity. Such tax shall be paid by the person required to file the building permit, or in the case where no building permit is required, by the developer or affected contractor, at the time that a building permit is acquired, or in any jurisdiction wherein no building permit is required for a development activity, at the time construction associated with such activity is commenced. The rate of such tax shall be: (1) With respect to residential construction, \$1,200 for the first 840 square feet of floor space and \$1 for each additional square foot thereof; (2) with respect to commercial and industrial construction, \$600 for the first 840 square feet of floor space and \$.50 for each additional square foot; and (3) with respect to land lots, \$100 for each 150 foot frontage and 150 foot depth, and \$100 for each additional such lot.

(b) As used in this section: (1) Building permit means the requirement to report and development activity in order to enforce a uniform building code; (2) development activity means any construction or expansion of a building or structure, any change in use of a building or structure or any changes in use of land which creates additional demand and need for public facilities; and (3) excise tax means a payment of money imposed upon development activity as a condition precedent thereto.

Sec. 2. (a) The director of taxation of the state department of revenue shall administer, enforce and collect the tax imposed by this section. All laws and rules and regulations of the secretary of revenue relating to the administration, enforcement and collection of the retailers' sales tax shall apply to such tax insofar as they can be made applicable, and the secretary shall adopt such additional rules and regulations as necessary for the efficient and effective administration, enforcement and collection thereof.

(b) The director of taxation shall remit all moneys collected from the tax imposed by this section to the state treasurer. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the

1 state treasury to the credit of the state general fund. On June 30 and  
2 November 30 of each year, the state treasurer shall remit to the treasurer  
3 of each unified school district wherein a transaction taxable pursuant to  
4 this section took place all moneys attributable to such transaction. Upon  
5 receipt thereof, each unified school district treasurer shall utilize such  
6 revenue for educational activities exclusive of athletics.

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

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