

## HOUSE BILL No. 2704

By Committee on Taxation

2-4

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AN ACT concerning sales taxation; relating to time for returns and payment of tax; amending K.S.A. 2003 Supp. 79-3607 and repealing the existing section.

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

Section 1. K.S.A. 2003 Supp. 79-3607 is hereby amended to read as follows: 79-3607. (a) Retailers shall make returns to the director at the times prescribed by this section upon forms prescribed and furnished by the director stating: (1) The name and address of the retailer; (2) the total amount of gross sales of all tangible personal property and taxable services rendered by the retailer during the period for which the return is made; (3) the total amount received during the period for which the return is made on charge and time sales of tangible personal property made and taxable services rendered prior to the period for which the return is made; (4) deductions allowed by law from such total amount of gross sales and from total amount received during the period for which the return is made on such charge and time sales; (5) receipts during the period for which the return is made from the total amount of sales of tangible personal property and taxable services rendered during such period in the course of such business, after deductions allowed by law have been made; (6) receipts during the period for which the return is made from charge and time sales of tangible personal property made and taxable services rendered prior to such period in the course of such business, after deductions allowed by law have been made; (7) gross receipts during the period for which the return is made from sales of tangible personal property and taxable services rendered in the course of such business upon the basis of which the tax is imposed. The return shall include such other pertinent information as the director may require. In making such return, the retailer shall determine the market value of any consideration, other than money, received in connection with the sale of any tangible personal property in the course of the business and shall include such value in the return. Such value shall be subject to review and revision by the director as hereinafter provided. Refunds made by the retailer during the period for which the return is made on account of tangible personal property returned to the retailer shall be allowed as a deduction under subdivision

1 (4) of this section in case the retailer has theretofore included the receipts  
2 from such sale in a return made by such retailer and paid taxes therein  
3 imposed by this act. The retailer shall, at the time of making such return,  
4 pay to the director the amount of tax herein imposed, except as otherwise  
5 provided in this section. The director may extend the time for making  
6 returns and paying the tax required by this act for any period not to exceed  
7 60 days under such rules and regulations as the secretary of revenue may  
8 prescribe. When the total tax for which any retailer is liable under this  
9 act, does not exceed the sum of \$80 in any calendar year, the retailer shall  
10 file an annual return on or before January 25 of the following year. When  
11 the total tax liability does not exceed ~~\$1,600~~ \$3,200 in any calendar year,  
12 the retailer shall file returns quarterly on or before the 25th day of the  
13 month following the end of each calendar quarter. When the total tax  
14 liability exceeds ~~\$1,600~~ \$3,200 in any calendar year, the retailer shall file  
15 a return for each month on or before the 25th day of the following month.  
16 When the total tax liability exceeds \$32,000 in any calendar year, the  
17 retailer shall be required to pay the sales tax liability for the first 15 days  
18 of each month to the director on or before the 25th day of that month.  
19 Any such payment shall accompany the return filed for the preceding  
20 month. A retailer will be considered to have complied with the require-  
21 ments to pay the first 15 days' liability for any month if, on or before the  
22 25th day of that month, the retailer paid 90% of the liability for that  
23 fifteen-day period, or 50% of such retailer's liability in the immediate  
24 preceding calendar year for the same month as the month in which the  
25 fifteen-day period occurs computed at the rate applicable in the month  
26 in which the fifteen-day period occurs, and, in either case, paid any un-  
27 derpayment with the payment required on or before the 25th day of the  
28 following month. Such retailers shall pay their sales tax liabilities for the  
29 remainder of each such month at the time of filing the return for such  
30 month. Determinations of amounts of liability in a calendar year for pur-  
31 poses of determining filing requirements shall be made by the director  
32 upon the basis of amounts of liability by those retailers during the pre-  
33 ceding calendar year or by estimates in cases of retailers having no pre-  
34 vious sales tax histories. The director is hereby authorized to modify the  
35 filing schedule for any retailer when it is apparent that the original de-  
36 termination was inaccurate.

37 (b) All model 1, model 2 and model 3 sellers are required to file  
38 returns electronically. Any model 1, model 2 or model 3 seller may submit  
39 its sales and use tax returns in a simplified format approved by the direc-  
40 tor. Any seller that is registered under the agreement, which does not  
41 have a legal requirement to register in this state, and is not a model 1,  
42 model 2 or model 3 seller, may submit its sales and use tax returns as  
43 follows: (1) Upon registration, the director shall provide to the seller the

1 returns required;  
2 (2) seller shall file a return anytime within one year of the month of  
3 initial registration, and future returns are required on an annual basis in  
4 succeeding years; and

5 (3) in addition to the returns required in subsection (b)(2), sellers are  
6 required to submit returns in the month following any month in which  
7 they have accumulated state and local sales tax funds for this state in the  
8 amount of \$1,600 or more.

9 Sec. 2. K.S.A. 2003 Supp. 79-3607 is hereby repealed.

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

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