

As Amended by House Committee

Session of 2004

HOUSE BILL No. 2842

By Representative Holland

2-11

10 AN ACT concerning certain business entities; imposing a franchise tax;
11 franchise fees; amending K.S.A. 17-1513, 17-1618, 17-7510, 17-7511,
12 17-7512 and 56-1a608 and K.S.A. 2003 Supp. 17-2036, 17-2718, 17-
13 4634, 17-4677, 17-7503, 17-7504, 17-7505, 17-7507, 17-7509, 17-
14 76,125, 17-76,139, 45-221, 56-1a606, 56-1a607, 56a-1201, 56a-1202
15 and 56a-1203 and repealing the existing sections; also repealing K.S.A.
16 2003 Supp. 17-7508.

17
18 *Be it enacted by the Legislature of the State of Kansas:*

19 New Section 1. (a) (1) ~~For any foreign or domestic for profit cor-~~
20 ~~poration, or professional corporation or association, duly registered and~~
21 ~~authorized to do business in Kansas by the secretary of state and which~~
22 ~~has taxable equity attributable to Kansas of \$1,000,000 or more, such~~
23 ~~entity shall pay an annual franchise tax to the secretary of revenue at the~~
24 ~~rate of .1% of such entity's taxable equity attributable to Kansas, except~~
25 ~~that such annual franchise tax for such entity shall not exceed \$20,500.~~

26 ~~—(2) For any foreign or domestic limited liability company, foreign or~~
27 ~~domestic limited partnership or foreign or domestic limited liability part-~~
28 ~~nership duly registered and authorized to do business in Kansas by the~~
29 ~~secretary of state and which has net capital accounts located or used in~~
30 ~~this state at the end of the preceding taxable year as required to be re-~~
31 ~~ported on the federal partnership return of income of \$1,000,000 or more,~~
32 ~~such entity shall pay an annual franchise tax to the secretary of revenue~~
33 ~~at the rate of .1% of the net capital accounts located in or used in this~~
34 ~~state at the end of the preceding taxable year as required to be reported~~
35 ~~on the federal partnership return of income, or for a one-member LLC~~
36 ~~taxed as a sole proprietorship which has net book value of the LLC as~~
37 ~~calculated on an income tax basis located in or used in this state at the~~
38 ~~end of the preceding taxable year of \$1,000,000 or more, .1% of net book~~
39 ~~value of the LLC as calculated on an income tax basis located in or used~~
40 ~~in this state at the end of the preceding taxable year, except that such~~
41 ~~annual franchise tax for such entities shall not exceed \$20,500.~~

42 ~~—(3) For any business trust duly registered and authorized to do busi-~~
43 ~~ness in Kansas by the secretary of state which has corpus as shown on its~~

1 balance sheet at the end of the preceding taxable year as required to be
2 reported on its annual report filed with the secretary of state pursuant to
3 K.S.A. 17-2036, and amendments thereto, of \$1,000,000 or more, such
4 entity shall pay an annual franchise tax to the secretary of revenue at the
5 rate of .1% of the corpus as shown on its balance sheet at the end of the
6 preceding taxable year as required to be reported on its annual report
7 filed with the secretary of state pursuant to K.S.A. 17-2036, and amend-
8 ments thereto, or in the case of a foreign business trust which has a corpus
9 which is located in or which it uses or intends to use in this state as shown
10 on its balance sheet at the end of the preceding taxable year as required
11 to be reported on the annual report filed with the secretary of state pur-
12 suant to K.S.A. 17-2036, and amendments thereto, of \$1,000,000 or more,
13 .1% of the corpus which is located in or which it uses or intends to use
14 in this state as shown on its balance sheet at the end of the preceding
15 taxable year as required to be reported on the annual report filed with
16 the secretary of state pursuant to K.S.A. 17-2036, and amendments
17 thereto, except that the annual franchise tax for such entities shall not
18 exceed \$20,500.

19 **For any foreign or domestic for profit corporation, or profes-**
20 **sional corporation or association, duly registered and authorized**
21 **to do business in Kansas by the secretary of state, if such entity has**
22 **total assets valued in excess of \$1,000,000 according to such en-**
23 **tity's books and records as of the last day of such entity's most**
24 **recent taxable year, such entity shall pay an annual franchise tax**
25 **to the secretary of revenue at the rate of .1% of such entity's tax-**
26 **able equity attributable to Kansas, except that such annual fran-**
27 **chise tax for such entity shall not exceed \$36,000.**

28 (2) **For any foreign or domestic limited liability company, fore-**
29 **ign or domestic limited partnership or foreign or domestic lim-**
30 **ited liability partnership duly registered and authorized to do busi-**
31 **ness by the secretary of state, if such entity has total assets valued**
32 **in excess of \$1,000,000 according to such entity's books and re-**
33 **records as of the last day of such entity's most recent taxable year,**
34 **such entity shall pay an annual franchise tax to the secretary of**
35 **revenue at the rate of .1% of the adjusted net capital accounts**
36 **located in or used in this state at the end of the preceding taxable**
37 **year as required to be reported on the federal partnership return**
38 **of income, or for a one-member LLC taxed as a sole proprietor-**
39 **ship, .1% of adjusted net book value of the LLC as calculated on**
40 **an income tax basis located in or used in this state at the end of**
41 **the preceding taxable year, except that such annual franchise tax**
42 **for such entity shall not exceed \$36,000.**

43 (3) **For any business trust duly registered and authorized to do**

1 **business in Kansas by the secretary of state, if such entity has total**
2 **assets valued in excess of \$1,000,000 according to such entity's**
3 **books and records as of the last day of such entity's most recent**
4 **taxable year, such entity shall pay an annual franchise tax to the**
5 **secretary of revenue at the rate of .1% of the adjusted corpus as**
6 **shown on its balance sheet at the end of the preceding taxable year**
7 **as required to be reported on its annual report filed with the sec-**
8 **retary of state pursuant to K.S.A. 17-2036, and amendments**
9 **thereto, or in the case of a foreign business trust, .1% of the ad-**
10 **justed corpus which is located in or which it uses or intends to use**
11 **in this state as shown on its balance sheet at the end of the pre-**
12 **ceding taxable year as required to be reported on the annual re-**
13 **port filed with the secretary of state pursuant to K.S.A. 17-2036,**
14 **and amendments thereto, except that the annual franchise tax for**
15 **such entity shall not exceed \$36,000. For purposes of this subsec-**
16 **tion, "adjusted corpus" shall mean the corpus less \$1,000,000.**

17 (b) (1) Every corporation or association, business trust, limited lia-
18 bility company, limited partnership or limited liability partnership subject
19 to taxation under this act, shall make a return, stating specifically such
20 information as may be required by the forms, rules and regulations of the
21 secretary of revenue, which return shall include a balance sheet listing all
22 assets and liabilities as of the end of the tax year, as reported with the
23 federal income tax return or as otherwise required by the secretary, and
24 such further information showing the allocation or apportionment of such
25 assets and liabilities to Kansas used in computing the amount of the fran-
26 chise tax. The return of a corporation or association shall be signed by
27 the president, vice-president, treasurer, assistant treasurer, chief account-
28 ing officer or any other officer so authorized to act. The fact that an
29 individual's name is signed on a return shall be *prima facie* evidence that
30 such individual is authorized to sign such return on behalf of such cor-
31 poration. In cases where receivers, trustees in bankruptcy or assignees
32 are operating the property or business of corporations, such receivers,
33 trustees, or assignees shall make returns for such corporations in the same
34 manner and form as corporations are required to make returns. Any tax
35 due on the basis of such returns shall be collected in the same manner
36 as if collected from the corporation for which the return is made. The
37 returns of a limited liability partnership shall be signed by a partner of
38 the limited liability partnership. The returns of a limited liability company
39 shall be signed by a member of the limited liability partnership.

40 (2) All returns shall be filed in the office of the director of taxation
41 on or before the 15th day of the fourth month following the close of the
42 taxable year, except as provided in subsection (b) (3).

43 (3) The director of taxation may grant a reasonable extension of time

1 for filing returns in accordance with rules and regulations of the secretary
2 of revenue. Whenever any such extension of time to file is requested by
3 a taxpayer and granted by the director, no penalty authorized by K.S.A.
4 79-3228, and amendments thereto, shall be imposed if 90% of the liability
5 is paid on or before the original due date.

6 (c) (1) All taxes imposed under the provisions of the Kansas franchise
7 tax act shall be paid on the 15th day of the fourth month following the
8 close of the taxable year. When the tax as shown to be due on a return is
9 less than \$5, such tax shall be canceled and no payment need be remitted
10 by the taxpayer.

11 (2) The director of taxation may extend the time for payment of the
12 tax, or any installment thereof, for a reasonable period of time not to
13 exceed six months from the date fixed for payment thereof. Such exten-
14 sion may exceed six months in the case of a taxpayer who is abroad.
15 Interest shall be charged at the rate prescribed by K.S.A. 79-2968, and
16 amendments thereto, for the period of such extension.

17 (d) The provisions of K.S.A. 79-3226, 79-3228, 79-3228a, 79-3229,
18 79-3230, 79-3233, 79-3233a, 79-3233b, 79-3233g, 79-3233h, 79-3233i,
19 79-3234, 79-3235 and 79-3236, and amendments thereto, shall apply to
20 the administration and enforcement of this section.

21 (e) All taxes paid pursuant to the provisions of this act shall be
22 rounded off to the nearest \$1, and unless other disposition is specifically
23 provided by law, the taxes collected under the provisions of this act and
24 all overpayments which may not be refunded under this section shall be
25 remitted to the state treasurer in accordance with the provisions of K.S.A.
26 75-4215, and amendments thereto. Upon receipt of each such remittance,
27 the state treasurer shall deposit the entire amount in the state treasury
28 to the credit of the state general fund. The secretary of revenue shall not
29 refund any overpayment of franchise taxes which is equal to \$5 or less,
30 shall not credit any domestic corporation or foreign corporation with any
31 amount which may not be refunded under this section, and shall not
32 require reimbursement for any underpayment of franchise taxes which is
33 less than \$5.

34 (f) As used in this section: (1) "Act" means the Kansas franchise tax
35 act;

36 ~~(2) "net book value of an LLC as calculated on an income tax basis~~
37 ~~located in or used in this state" means the net book value of an LLC as~~
38 ~~calculated on an income tax basis located in or used in this state;~~

39 ~~(3) "net capital accounts located in or used in this state" means the~~
40 ~~net capital accounts located in or used in this state;~~

41 ~~(4) "net book value as calculated on an income tax basis located in or~~
42 ~~used in this state" means the net book value of a limited liability company~~
43 ~~multiplied by a percentage which is the average of the following three~~

1 percentages. (A) The average value of the limited liability company's real
2 and tangible personal property owned or rented and used in this state
3 during the next preceding tax period divided by the average total value
4 of the limited liability company's real and tangible personal property
5 owned or rented and used during the next preceding tax period; (B) the
6 total amount of compensation paid by the limited liability company in this
7 state during the next preceding tax period divided by the total amount of
8 compensation paid everywhere by the limited liability company during
9 the next preceding tax period; and (C) the total sales of the limited liability
10 company in this state during the next preceding tax period divided by the
11 total sales of the limited liability company everywhere during the next
12 preceding tax period. If a limited liability company has no property or
13 activity mentioned in one of the above factors, the appropriate percentage
14 for that factor is 100%;

15 —(5) “net capital accounts located in or used in this state” means the
16 net capital accounts of a limited partnership or limited liability partner-
17 ship as stated on the federal income tax return multiplied by a percentage
18 which is the average of the following three percentages. (A) The average
19 value of such entity's real and tangible personal property owned or rented
20 and used in this state during the next preceding tax period divided by the
21 average total value of such entity's real and tangible personal property
22 owned or rented and used during the next preceding tax period; (B) the
23 total amount of compensation paid by such entity in this state during the
24 next preceding tax period divided by the total amount of compensation
25 paid everywhere by such entity during the next preceding tax period; and
26 (C) the total sales of such entity in this state during the next preceding
27 tax period divided by the total sales of such entity everywhere during the
28 next preceding tax period. If such entity has no property or activity men-
29 tioned in one of the about factors, the appropriate percentage for that
30 factor is 100%;

31 —(6) “shareholder's equity” means the sum of: (1) Paid in capital stock,
32 except that paid in capital stock shall not include any capital stock issued
33 by a corporation and reacquired by such corporation through gift, pur-
34 chase or otherwise and available for resale or retirement; (2) capital paid
35 in, in excess of par, and (3) retained earnings, all as stated on such cor-
36 poration's federal income tax return; and

37 —(7) “taxable equity attributable to Kansas” means shareholder's equity
38 attributable to Kansas.

39 (2) “adjusted net book value of an LLC as calculated on an
40 income tax basis located in or used in this state” means the net
41 book value of an LLC as calculated on an income tax basis located
42 in or used in this state less \$1,000,000;

43 (3) “adjusted net capital accounts located in or used in this

1 state” means the net capital accounts located in or used in this
2 state less \$1,000,000;

3 (4) “net book value as calculated on an income tax basis located
4 in or used in this state” means the net book value of a limited
5 liability company multiplied by a percentage which is the average
6 of the following three percentages: (A) The average value of the
7 limited liability company’s real and tangible personal property
8 owned or rented and used in this state during the next preceding
9 tax period divided by the average total value of the limited liability
10 company’s real and tangible personal property owned or rented
11 and used during the next preceding tax period; (B) the total
12 amount of compensation paid by the limited liability company in
13 this state during the next preceding tax period divided by the total
14 amount of compensation paid everywhere by the limited liability
15 company during the next preceding tax period; and (C) the total
16 sales of the limited liability company in this state during the next
17 preceding tax period divided by the total sales of the limited li-
18 ability company everywhere during the next preceding tax period.
19 If a limited liability company has no property or activity mentioned
20 in one of the above factors, the appropriate percentage for that
21 factor is 100%;

22 (5) “net capital accounts located in or used in this state” means
23 the net capital accounts of a limited partnership or limited liability
24 partnership as stated on the federal income tax return multiplied
25 by a percentage which is the average of the following three per-
26 centages: (A) The average value of such entity’s real and tangible
27 personal property owned or rented and used in this state during
28 the next preceding tax period divided by the average total value
29 of such entity’s real and tangible personal property owned or
30 rented and used during the next preceding tax period; (B) the total
31 amount of compensation paid by such entity in this state during
32 the next preceding tax period divided by the total amount of com-
33 pensation paid everywhere by such entity during the next preced-
34 ing tax period; and (C) the total sales of such entity in this state
35 during the next preceding tax period divided by the total sales of
36 such entity everywhere during the next preceding tax period. If
37 such entity has no property or activity mentioned in one of the
38 about factors, the appropriate percentage for that factor is 100%;

39 (6) “shareholder’s equity” means the sum of: (1) Paid-in capital
40 stock, except that paid-in capital stock shall not include any capital
41 stock issued by a corporation and reacquired by such corporation
42 through gift, purchase or otherwise and available for resale or re-
43 tirement; (2) capital paid in, in excess of par; and (3) retained earn-

1 **ings, all as stated on such corporation's federal income tax return;**
2 **and**

3 **(7) "taxable equity attributable to Kansas" means share-**
4 **holder's equity attributable to Kansas, minus \$1,000,000.**

5 (g) The provisions of this section shall be known and may be cited as
6 the Kansas franchise tax act.

7 Sec. 2. K.S.A. 17-1513 is hereby amended to read as follows: 17-
8 1513. Each corporation organized under the provisions of this act shall
9 make an annual report to the secretary of state, and pay the annual fran-
10 chise ~~tax fee~~, as prescribed by K.S.A. 17-7503 *and amendments thereto*.

11 Sec. 3. K.S.A. 17-1618 is hereby amended to read as follows: 17-
12 1618. Each association formed under this act, or acts amendatory thereto,
13 shall prepare and make an annual report to the secretary of state, and pay
14 the annual franchise ~~tax fee~~, as prescribed by K.S.A. 17-7504 and amend-
15 ments thereto, except that the report shall be filed at the time prescribed
16 by law for filing the association's annual Kansas income tax return. If any
17 such association shall apply for an extension of time for filing its annual
18 income tax return pursuant to the internal revenue code or subsection
19 (c) of K.S.A. 79-3221 and amendments thereto, such association shall also
20 apply, not more than 90 days after the due date of its annual report, to
21 the secretary of state for an extension of time for filing the annual report.
22 Such application for an extension of time for filing the annual report shall
23 include a copy of the application for extension for filing its annual income
24 tax return filed pursuant to the internal revenue code or K.S.A. 79-3221
25 and amendments thereto.

26 Sec. 4. K.S.A. 2003 Supp. 17-2036 is hereby amended to read as
27 follows: 17-2036. Every business trust shall make an annual report in
28 writing to the secretary of state, showing its financial condition at the
29 close of business on the last day of its tax period under the Kansas income
30 tax act next preceding the date of filing, but if a business trust's tax period
31 is other than the calendar year, it shall give notice thereof to the secretary
32 of state prior to December 31 of the year it commences such tax period.
33 The reports shall be made on forms provided by the secretary of state
34 and shall be filed at the time prescribed by law for filing the business
35 trust's annual Kansas income tax return, except that if any such business
36 trust shall receive an extension of time for filing its annual income tax
37 return from the internal revenue service or pursuant to subsection (c) of
38 K.S.A. 79-3221, and amendments thereto, the time for filing the report
39 hereunder shall be extended, correspondingly, upon filing with the sec-
40 retary of state a copy of the extension granted by the internal revenue
41 service or the director of taxation. The report shall contain the following:

42 (a) Executed copies of all amendments to the instrument by which
43 the business trust was created, or to prior amendments thereto, which

1 have been adopted and have not theretofore been filed under K.S.A. 17-
2 2033, and amendments thereto, and accompanied by the fee prescribed
3 therein for each such amendment;

4 (b) a verified list of the names and addresses of its trustees as of the
5 end of its tax period; and

6 (c) a balance sheet as of the end of its tax period, certified by the
7 trustee, fairly and truly reflecting its assets and liabilities and specifically
8 setting out its corpus, and, in the case of a foreign business trust, fairly
9 and truly reflecting an allocation of its moneys and other assets as between
10 those located, used, or to be used in this state and those located, used or
11 to be used elsewhere.

12 At the time of filing its annual report, the business trust shall pay to
13 the secretary of state an annual franchise ~~tax fee~~ in an amount ~~equal to~~
14 ~~\$2 for each \$1,000 of its corpus as shown by its balance sheet, or, in the~~
15 ~~case of a foreign business trust, in an amount equal to \$2 for each \$1,000~~
16 ~~of that portion of its corpus which is located in or which it uses or intends~~
17 ~~to use in this state as shown by its balance sheet, except that in any case~~
18 ~~no such tax shall be less than \$40 nor more than \$5,000 not to exceed~~
19 ~~\$40.~~

20 The failure of any domestic or foreign business trust to file its annual
21 report and pay its annual franchise ~~tax fee~~ within 90 days from the date
22 on which they are due, as aforesaid, shall work a forfeiture of its authority
23 to transact business in this state and all of the remedies, procedures, and
24 penalties specified in K.S.A. 17-7509 and 17-7510, and amendments
25 thereto, with respect to a corporation which fails to file its annual report
26 or pay its annual franchise ~~tax fee~~ within 90 days after they are due, shall
27 be applicable to such business trust.

28 Sec. 5. K.S.A. 2003 Supp. 17-2718 is hereby amended to read as
29 follows: 17-2718. (a) Each professional corporation organized under the
30 laws of this state shall file with the secretary of state an annual report in
31 writing and a copy or duplicate thereof, stating the prescribed information
32 concerning the corporation at the close of business on the last day of its
33 tax period next preceding the date of filing, but if any such corporation's
34 tax period is other than the calendar year it shall give notice thereof to
35 the secretary of state prior to December 31 of the year it commences
36 such tax period. The report shall be filed at the time prescribed by law
37 for filing the corporation's annual Kansas income tax return, except that
38 such corporation may apply to the secretary of state not more than 90
39 days after the due date of its annual report for an extension of the time
40 for filing the report, and an extension shall be granted for a period of
41 time corresponding to that granted under the internal revenue code or
42 K.S.A. 79-3221, and amendments thereto. The report shall be made on
43 a form provided by the secretary of state, containing the following

1 information:

2 (1) The names and residence addresses of all officers, directors and
3 shareholders of the professional corporation;

4 (2) a statement that each officer, director and shareholder is or is not
5 a qualified person as defined in K.S.A. 17-2707, and amendments thereto,
6 and setting forth the date on which any shares of the corporation were
7 no longer owned by a qualified person; and

8 (3) the amount of capital stock issued.

9 (b) The report shall be signed by its president, secretary, treasurer
10 or other officer duly authorized so to act, or by any two of its directors,
11 or by an incorporator in the event its board of directors shall not have
12 been elected. The fact that an individual's name is signed on such report
13 shall be prima facie evidence that such individual is authorized to sign
14 the report on behalf of the corporation; however, the official title or po-
15 sition of the individual signing the report shall be designated. This report
16 will be dated and subscribed by the person as true, under penalty of
17 perjury. The copy of the annual report or the duplicate original copy of
18 the annual report shall be forwarded to the regulatory board which li-
19 censes the shareholders described in the report. At the time of filing its
20 annual report, each professional corporation shall pay the annual fran-
21 chise ~~tax~~ fee prescribed by K.S.A. 17-7503, and amendments thereto.

22 Sec. 6. K.S.A. 2003 Supp. 17-4634 is hereby amended to read as
23 follows: 17-4634. (a) Every corporation organized under the electric co-
24 operative act of this state shall make an annual report in writing to the
25 secretary of state, showing the financial condition of the corporation at
26 the close of business on the last day of its tax period next preceding the
27 date of filing, but if any such corporation's tax period is other than the
28 calendar year, it shall give notice thereof to the secretary of state prior to
29 December 31 of the year it commences such tax period. The report shall
30 be filed on or before the fifteenth day of the fourth month following the
31 close of the tax year of the electric cooperative. An extension for filing
32 the annual report may be granted upon the filing of a written application
33 with the secretary of state prior to the due date of the report, except that
34 no such extension may be granted for a period of more than ~~ninety (90)~~
35 90 days. The report shall be made on a form provided by the secretary
36 of state, containing the following information:

37 (1) The name of the corporation;

38 (2) the location of the principal office;

39 (3) the name of the president, secretary and treasurer and the names
40 of directors with the residence address of each;

41 (4) the number of memberships issued;

42 (5) a balance sheet showing the financial condition of the corporation
43 at the close of business on the last day of its tax period next preceding

1 the date of filing; and

2 (6) the change or changes, if any, in the particulars made since the
3 last annual report.

4 (b) Such reports shall be signed by the president, vice-president or
5 secretary of the corporation, sworn to before an officer duly authorized
6 to administer oaths and forwarded to the secretary of state. At the time
7 of filing such annual report, each such corporation shall pay an annual
8 franchise ~~tax of~~ *fee in an amount not to exceed \$40.*

9 Sec. 7. K.S.A. 2003 Supp. 17-4677 is hereby amended to read as
10 follows: 17-4677. (a) Every cooperative organized under the renewable
11 energy electric generation cooperative act shall make an annual report in
12 writing to the secretary of state, showing the financial condition of the
13 cooperative at the close of business on the last day of its tax period next
14 preceding the date of filing, but if any such cooperative's tax period is
15 other than the calendar year, it shall give notice thereof to the secretary
16 of state prior to December 31 of the year it commences such tax period.
17 The report shall be filed on or before the 15th day of the fourth month
18 following the close of the tax year of the electric cooperative. An extension
19 for filing the annual report may be granted upon the filing of a written
20 application with the secretary of state prior to the due date of the report,
21 except that no such extension may be granted for a period of more than
22 90 days. The report shall be made on a form provided by the secretary
23 of state, containing the following information:

- 24 (1) The name of the cooperative;
- 25 (2) the location of the principal office of the cooperative;
- 26 (3) the names and addresses of the president, secretary, treasurer and
27 directors of the cooperative;
- 28 (4) the number of members of the cooperative;
- 29 (5) a balance sheet showing the financial condition of the cooperative
30 at the close of business on the last day of its tax period next preceding
31 the date of filing; and

32 (6) the change or changes, if any, in the particulars made since the
33 last annual report.

34 (b) The annual report shall be signed by the president, vice-president
35 or secretary of the cooperative, sworn to before an officer duly authorized
36 to administer oaths, and forwarded to the secretary of state. At the time
37 of filing such annual report, the cooperative shall pay an annual franchise
38 ~~tax of \$20~~ *fee in an amount not to exceed \$40.*

39 Sec. 8. K.S.A. 2003 Supp. 17-7503 is hereby amended to read as
40 follows: 17-7503. (a) Every domestic corporation organized for profit shall
41 make an annual report in writing to the secretary of state, stating the
42 prescribed information concerning the corporation at the close of busi-
43 ness on the last day of its tax period next preceding the date of filing, but

1 if a corporation's tax period is other than the calendar year, it shall give
2 notice thereof to the secretary of state prior to December 31 of the year
3 it commences such tax period. The reports shall be made on forms pre-
4 scribed by the secretary of state. The report shall be filed at the time
5 prescribed by law for filing the corporation's annual Kansas income tax
6 return, except that if any such corporation shall apply for an extension of
7 time for filing its annual income tax return under the internal revenue
8 service or under subsection (c) of K.S.A. 79-3221, and amendments
9 thereto, such corporation shall also apply, not more than 90 days after
10 the due date of its annual report, to the secretary of state for an extension
11 of the time for filing the report and an extension shall be granted for a
12 period of time corresponding to that granted under the internal revenue
13 code or K.S.A. 79-3221, and amendments thereto. Such application shall
14 include a copy of the application to income tax authorities. The report
15 shall contain the following information:

- 16 (1) The name of the corporation;
- 17 (2) the location of the principal office;
- 18 (3) the names of the president, secretary, treasurer and members of
19 the board of directors, with the residence address of each;
- 20 (4) the number of shares of capital stock issued and the amount of
21 capital stock paid up;
- 22 (5) the nature and kind of business in which the corporation is en-
23 gaged; and
- 24 (6) a list of stockholders owning at least 5% of the capital stock of the
25 corporation, with the post office address of each.

26 (b) Every corporation subject to the provisions of this section which
27 holds agricultural land, as defined in K.S.A. 17-5903, and amendments
28 thereto, within this state shall show the following additional information
29 on the report:

- 30 (1) The acreage and location listed by section, range, township and
31 county of each lot, tract or parcel of agricultural land in this state owned
32 or leased by or to the corporation;
- 33 (2) the purposes for which such agricultural land is owned or leased
34 and, if leased, to whom such agricultural land is leased;
- 35 (3) the value of the nonagricultural assets and the agricultural assets,
36 stated separately, owned and controlled by the corporation both within
37 and without the state of Kansas and where situated;
- 38 (4) the total number of stockholders of the corporation;
- 39 (5) the number of acres owned or operated by the corporation, the
40 number of acres leased by the corporation and the number of acres leased
41 to the corporation;
- 42 (6) the number of acres of agricultural land, held and reported in
43 each category under provision (5), state separately, being irrigated; and

1 (7) whether any of the agricultural land held and reported under this
2 subsection was acquired after July 1, 1981.

3 (c) The report shall be signed by its president, secretary, treasurer or
4 other officer duly authorized so to act, or by any two of its directors, or
5 by an incorporator in the event its board of directors shall not have been
6 elected. The fact that an individual's name is signed on such report shall
7 be prima facie evidence that such individual is authorized to sign the
8 report on behalf of the corporation; however, the official title or position
9 of the individual signing the report shall be designated. This report will
10 be dated and subscribed by the person as true, under penalty of perjury.
11 At the time of filing such annual report it shall be the duty of each do-
12 mestic corporation organized for profit to pay to the secretary of state an
13 annual franchise ~~tax fee~~ in an amount ~~equal to \$2 for each \$1,000 of the~~
14 ~~corporation's shareholder's equity attributable to Kansas, except that no~~
15 ~~such tax shall be less than \$40 or more than \$5,000. The amount of any~~
16 ~~such franchise tax paid by the corporation to the secretary as provided by~~
17 ~~this subsection shall not be disclosed by the secretary not to exceed \$40.~~

18 Sec. 9. K.S.A. 2003 Supp. 17-7504 is hereby amended to read as
19 follows: 17-7504. (a) Every corporation organized not for profit shall make
20 an annual report in writing to the secretary of state, stating the prescribed
21 information concerning the corporation at the close of business on the
22 last day of its tax period next preceding the date of filing, but if a cor-
23 poration's tax period is other than the calendar year, it shall give notice
24 thereof to the secretary of state prior to December 31 of the year it
25 commences such tax period. The reports shall be made on forms pre-
26 scribed by the secretary of state. The report shall be filed on the 15th day
27 of the sixth month following the close of the taxable year, except that such
28 corporation may apply to the secretary of state not more than 90 days
29 after the due date of its annual report for an extension of the time for
30 filing the report, and an extension shall be granted for a period of time
31 corresponding to that granted under the internal revenue code or K.S.A.
32 79-3221, and amendments thereto. The report shall contain the following
33 information:

- 34 (1) The name of the corporation;
- 35 (2) the location of the principal office;
- 36 (3) the names of the president, secretary and treasurer, and the mem-
37 bers of the board of directors, with the residence address of each;
- 38 (4) the number of memberships or the number of shares of capital
39 stock issued and the amount of capital stock paid up.

40 (b) Every corporation subject to the provisions of this section which
41 holds agricultural land, as defined in K.S.A. 17-5903, and amendments
42 thereto, within this state shall show the following additional information
43 on the report:

1 (1) The acreage and location listed by section, range, township and
2 county of each lot, tract or parcel of agricultural land in this state owned
3 or leased by or to the corporation;

4 (2) the purposes for which such agricultural land is owned or leased
5 and, if leased, to whom such agricultural land is leased;

6 (3) the value of the nonagricultural assets and the agricultural assets,
7 stated separately, owned and controlled by the corporation both within
8 and without the state of Kansas and where situated;

9 (4) the total number of stockholders of the corporation;

10 (5) the number of acres owned or operated by the corporation, the
11 number of acres leased by the corporation and the number of acres leased
12 to the corporation;

13 (6) the number of acres of agricultural land, held and reported in
14 each category under paragraph (5) of this subsection (b), stated sepa-
15 rately, being irrigated; and

16 (7) whether any of the agricultural land held and reported under this
17 subsection was acquired after July 1, 1981.

18 (c) The report shall be signed by its president, secretary, treasurer or
19 other officer duly authorized so to act, or by any two of its directors, or
20 by an incorporator in the event its board of directors shall not have been
21 elected. The fact that an individual's name is signed on such report shall
22 be prima facie evidence that such individual is authorized to sign the
23 report on behalf of the corporation; however, the official title or position
24 of the individual signing the report shall be designated. This report will
25 be dated and subscribed by the person as true, under penalty of perjury.
26 At the time of filing such report, each nonprofit corporation shall pay an
27 annual ~~privilege franchise fee of~~ *in an amount not to exceed \$40* ~~\$20~~ *\$20*
28 for all tax years commencing after December 31, ~~2001~~ 2003.

29 Sec. 10. K.S.A. 2003 Supp. 17-7505 is hereby amended to read as
30 follows: 17-7505. (a) Every foreign corporation organized for profit, or
31 organized under the cooperative type statutes of the state, territory or
32 foreign country of incorporation, now or hereafter doing business in this
33 state, and owning or using a part or all of its capital in this state, and
34 subject to compliance with the laws relating to the admission of foreign
35 corporations to do business in Kansas, shall make an annual report in
36 writing to the secretary of state, stating the prescribed information con-
37 cerning the corporation at the close of business on the last day of its tax
38 period next preceding the date of filing, but if a corporation operates on
39 a fiscal year other than the calendar year it shall give written notice thereof
40 to the secretary of state prior to December 31 of the year commencing
41 such fiscal year. The report shall be made on a form prescribed by the
42 secretary of state. The report shall be filed at the time prescribed by law
43 for filing the corporation's annual Kansas income tax return, except that

1 if any such corporation shall apply for an extension of time for filing its
2 annual income tax return under the internal revenue service or under
3 subsection (c) of K.S.A. 79-3221, and amendments thereto, such corpo-
4 ration shall also apply, not more than 90 days after the due date of its
5 annual report, to the secretary of state for an extension of the time for
6 filing the report and an extension shall be granted for a period of time
7 corresponding to that granted under the internal revenue code or K.S.A.
8 79-3221, and amendments thereto. Such application shall include a copy
9 of the application to income tax authorities. The report shall contain the
10 following facts:

11 (1) The name of the corporation and under the laws of what state or
12 country organized;

13 (2) the location of its principal office;

14 (3) the names of the president, secretary, treasurer and members of
15 the board of directors, with the residence address of each;

16 (4) the number of shares of capital stock issued and the amount of
17 capital stock paid up;

18 (5) the nature and kind of business in which the company is engaged
19 and its place or places of business both within and without the state of
20 Kansas;

21 (6) the value of the property owned and used by the company in
22 Kansas, where situated, and the value of the property owned and used
23 outside of Kansas and where situated; and

24 (7) the corporation's shareholder's equity attributable to Kansas.

25 (b) Every corporation subject to the provisions of this section which
26 holds agricultural land, as defined in K.S.A. 17-5903, and amendments
27 thereto, within this state shall show the following additional information
28 on the report:

29 (1) The acreage and location listed by section, range, township and
30 county of each lot, tract or parcel of agricultural land in this state owned
31 or leased by or to the corporation;

32 (2) the purposes for which such agricultural land is owned or leased
33 and, if leased, to whom such agricultural land is leased;

34 (3) the value of the nonagricultural assets and the agricultural assets,
35 stated separately, owned and controlled by the corporation both within
36 and without the state of Kansas and where situated;

37 (4) the total number of stockholders of the corporation;

38 (5) the number of acres owned or operated by the corporation, the
39 number of acres leased by the corporation and the number of acres leased
40 to the corporation;

41 (6) the number of acres of agricultural land, held and reported in
42 each category under paragraph (5) of this subsection (b), stated sepa-
43 rately, being irrigated; and

1 (7) whether any of the agricultural land held and reported under this
2 subsection was acquired after July 1, 1981.

3 The report shall be signed by its president, secretary, treasurer or other
4 officer duly authorized so to act, or by any two of its directors, or by an
5 incorporator in the event its board of directors shall not have been
6 elected. The fact that an individual's name is signed on such report shall
7 be prima facie evidence that such individual is authorized to sign the
8 report on behalf of the corporation; however, the official title or position
9 of the individual signing the report shall be designated. This report will
10 be dated and subscribed by the person as true, under penalty of perjury.
11 At the time of filing its annual report, each such foreign corporation shall
12 pay to the secretary of state an annual franchise ~~tax fee~~ in an amount equal
13 to ~~\$2 for each \$1,000 of the corporation's shareholder's equity attributable~~
14 ~~to Kansas, except that no such tax shall be less than \$40 or more than~~
15 ~~\$5,000. The amount of any such franchise tax paid by the foreign cor-~~
16 ~~poration to the secretary as provided by this subsection shall not be dis-~~
17 ~~closed by the secretary not to exceed \$40.~~

18 Sec. 11. K.S.A. 2003 Supp. 17-7507 is hereby amended to read as
19 follows: 17-7507. No corporation shall be required to file its first annual
20 report under this act, or pay any annual franchise ~~tax fee~~ required to
21 accompany such report, unless such corporation has filed its articles of
22 incorporation or certificate of good standing at least six months prior to
23 the last day of its tax period. ~~If any corporation shall file with the secretary~~
24 ~~of state a notice of change in its tax period, and the next annual report~~
25 ~~filed by such corporation subsequent to such notice is based on a tax~~
26 ~~period of less than 12 months. The annual tax liability shall be determined~~
27 ~~by multiplying the annual franchise tax liability for such year by a fraction~~
28 ~~the numerator of which is the number of months, or any portion thereof,~~
29 ~~covered by the annual report and the denominator of which is 12. Not-~~
30 ~~withstanding the foregoing, the minimum annual franchise tax shall be~~
31 ~~\$40.~~

32 Sec. 12. K.S.A. 2003 Supp. 17-7509 is hereby amended to read as
33 follows: 17-7509. (a) In case any corporation organized for profit which
34 is required to file an annual report and pay the annual franchise ~~tax fee~~
35 prescribed by this act shall fail or neglect to make such report at the time
36 prescribed, such corporation shall be subject to a penalty of \$75. Such
37 penalty and the annual ~~tax or taxes fee or fees~~ required to be paid by this
38 act may be recovered by an action in the name of the state, and all moneys
39 recovered shall be remitted to the state treasurer in accordance with the
40 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of
41 each such remittance, the state treasurer shall deposit the entire amount
42 in the state treasury to the credit of the state general fund.

43 (b) ~~On complaint of the secretary of state that any corporation has~~

1 failed to pay the annual taxes prescribed by this act, it shall be the duty
2 of the county or district attorney, or the attorney general, to institute such
3 action in the district court of Shawnee county, Kansas, or of any county
4 in which such corporation has an office or place of business.

5 —(e) The penalties provided for in subsection (a) also may be assessed
6 against any corporation for the reason that such corporation has been
7 canceled or its existence forfeited pursuant to the Kansas general cor-
8 poration code. No penalty shall be charged pursuant to this subsection,
9 if a corporation is assessed penalties pursuant to grounds specified in
10 subsection (a).

11 Sec. 13. K.S.A. 17-7510 is hereby amended to read as follows: 17-
12 7510. (a) In addition to any other penalties, the failure of any domestic
13 corporation to file the annual report in accordance with the provisions of
14 this act or to pay the annual ~~taxes herein~~ franchise fee provided for within
15 90 days of the time for filing and paying the same shall work the forfeiture
16 of the articles of incorporation of such domestic corporation. Within 60
17 days after the date such annual report and ~~taxes~~ fee are due, the secretary
18 of state, by mail, shall notify any corporation that has failed to submit
19 such report and ~~taxes~~ fee when due that its articles of incorporation shall
20 be forfeited unless the annual report is filed and the ~~taxes thereon are~~ fee
21 is paid within 90 days from the date such report and ~~taxes~~ fee were due.
22 Any corporation that fails to submit such report and ~~taxes~~ fee within such
23 time shall forfeit its articles of incorporation, and the secretary of state
24 shall notify the attorney general that the articles of incorporation of such
25 corporation have been forfeited.

26 (b) In addition to any other penalties, the failure of any foreign cor-
27 poration to file the annual report or pay the annual franchise ~~taxes~~ fee
28 prescribed by this act within 90 days from the time provided for filing
29 and paying the same shall work a forfeiture of its right or authority to do
30 business in this state. Within 60 days after the date such annual report
31 and ~~taxes~~ fee are due, the secretary of state, by mail, shall notify any
32 corporation that has failed to submit such report and ~~taxes~~ fee when due
33 that its authority to do business in this state shall be forfeited unless the
34 annual report and ~~taxes thereon are~~ fee is paid within 90 days from the
35 date such report and ~~taxes~~ fee were due. Any corporation that fails to
36 submit such report and ~~taxes~~ fees within such time shall forfeit its au-
37 thority to do business in this state, and the secretary of state shall publish
38 a notice of such forfeiture in the Kansas register.

39 This section shall not be construed to restrict the state from invoking
40 any other remedies provided by law.

41 Sec. 14. K.S.A. 17-7511 is hereby amended to read as follows: 17-
42 7511. Pursuant to the authority granted by subsection (c) of K.S.A. 79-
43 3234, the secretary of state, as a legal representative of the state, may

1 inspect the annual Kansas income tax return of any corporation for the
2 purpose of verifying any information contained in the annual report filed
3 by such corporation with the secretary of state pursuant to this act. The
4 secretary of state shall not disclose any information obtained from any
5 such return, except as may be necessary to commence an appropriate
6 administrative or judicial proceeding against the corporation filing the
7 same, *and shall disclose to the secretary of revenue any information and*
8 *allow the secretary to inspect as necessary the annual report for purposes*
9 *of verifying any information contained on the franchise tax return as*
10 *provided in section 1 and amendments thereto.*

11 Sec. 15. K.S.A. 17-7512 is hereby amended to read as follows: 17-
12 7512. The provisions of this act relating to the filing of annual reports
13 and the payment of franchise ~~taxes~~ *fees* shall not apply to banking, insur-
14 ance or savings and loan corporations or associations or to credit unions
15 or any firemen's relief association under the jurisdiction and supervision
16 of the insurance commissioner or to Kansas Venture Capital, Inc. or to
17 venture capital companies certified by the secretary of commerce pur-
18 suant to article 83 of chapter 74 of the Kansas Statutes Annotated and
19 amendments thereto.

20 Sec. 16. K.S.A. 2003 Supp. 17-76,125 is hereby amended to read as
21 follows: 17-76,125. A foreign limited liability company may cancel its reg-
22 istration by filing with the secretary of state a certificate of cancellation
23 executed by the members, together with the fee required by this act and
24 the annual report and franchise ~~tax~~ *fee* for any tax period which has ended.
25 A cancellation does not terminate the authority of the secretary of state
26 to accept service of process on the foreign limited liability company with
27 respect to causes of action arising out of the doing of business in the state
28 of Kansas.

29 Sec. 17. K.S.A. 2003 Supp. 17-76,139 is hereby amended to read as
30 follows: 17-76,139. (a) Every limited liability company organized under
31 the laws of this state shall make an annual report in writing to the secretary
32 of state, stating the prescribed information concerning the limited liability
33 company at the close of business on the last day of its tax period next
34 preceding the date of filing. If the limited liability company's tax period
35 is other than the calendar year, it shall give notice of its different tax
36 period in writing to the secretary of state prior to December 31 of the
37 year it commences the different tax period. The annual report shall be
38 filed at the time prescribed by law for filing the limited liability company's
39 annual Kansas income tax return. If the limited liability company applies
40 for an extension of time for filing its annual income tax return under the
41 internal revenue code, the limited liability company shall also apply, not
42 more than 90 days after the due date of its annual report, to the secretary
43 of state for an extension of the time for filing its report and an extension

1 shall be granted for a period of time corresponding to that granted under
2 the internal revenue code. The application shall include a copy of the
3 application to income tax authorities. The annual report shall be made on
4 a form prescribed by the secretary of state. The report shall contain the
5 following information:

6 (1) The name of the limited liability company; and

7 (2) a list of the members owning at least 5% of the capital of the
8 company, with the post office address of each.

9 (b) Every foreign limited liability company shall make an annual re-
10 port in writing to the secretary of state, stating the prescribed information
11 concerning the limited liability company at the close of business on the
12 last day of its tax period next preceding the date of filing. If the limited
13 liability company's tax period is other than the calendar year, it shall give
14 notice in writing of its different tax period to the secretary of state prior
15 to December 31 of the year it commences the different tax period. The
16 annual report shall be filed at the time prescribed by law for filing the
17 limited liability company's annual Kansas income tax return. If the limited
18 liability company applies for an extension of time for filing its annual
19 income tax return under the internal revenue code, the limited liability
20 company also shall apply, not more than 90 days after the due date of its
21 annual report, to the secretary of state for an extension of the time for
22 filing its report and an extension shall be granted for a period of time
23 corresponding to that granted under the internal revenue code. The ap-
24 plication shall include a copy of the application to income tax authorities.
25 The annual report shall be made on a form prescribed by the secretary
26 of state. The report shall contain the name of the limited liability
27 company.

28 (c) The annual report required by this section shall be signed by a
29 member of the limited liability company and forwarded to the secretary
30 of state. At the time of filing the report, the limited liability company shall
31 pay to the secretary of state an annual franchise ~~tax fee~~ in an amount equal
32 to \$2 for each \$1,000 of the net capital accounts located in or used in this
33 state at the end of the preceding taxable year as required to be reported
34 on the federal partnership return of income, or for a one-member LLC
35 taxed as a sole proprietorship, \$2 for each \$1,000 of net book value of the
36 LLC as calculated on an income tax basis located in or used in this state
37 at the end of the preceding taxable year, except that no annual tax shall
38 be less than \$40 or more than \$5,000. The amount of any such franchise
39 tax paid by the limited liability company to the secretary as provided by
40 this subsection shall not be disclosed by the secretary *not to exceed \$40*.

41 (d) The provisions of K.S.A. 17-7509, and amendments thereto, re-
42 lating to penalties for failure of a corporation to file an annual report or
43 pay the required franchise ~~tax fee~~, and the provisions of subsection (a) of

1 K.S.A. 17-7510 and amendments thereto, relating to penalties for failure
2 of a corporation to file an annual report or pay the required franchise ~~tax~~
3 *fee*, shall be applicable to the articles of organization of any domestic
4 limited liability company or to the authority of any foreign limited liability
5 company which fails to file its annual report or pay the franchise ~~tax~~ *fee*
6 within 90 days of the time prescribed in this section for filing and paying
7 the same. Whenever the articles of organization of a domestic limited
8 liability company or the authority of any foreign limited liability company
9 are forfeited for failure to file an annual report or to pay the required
10 franchise ~~tax~~ *fee*, the domestic limited liability company or the authority
11 of a foreign limited liability company may be reinstated by filing a certifi-
12 cate of reinstatement, in the manner and form to be prescribed by the
13 secretary of state and paying to the secretary of state all fees ~~and taxes~~,
14 including any penalties thereon, due to the state. The fee for filing a
15 certificate of reinstatement shall be the same as that prescribed by K.S.A.
16 17-7506, and amendments thereto, for filing a certificate of extension,
17 restoration, renewal or revival of a corporation's articles of incorporation.

18 (e) When reinstatement is effective, it relates back to and takes effect
19 as of the effective date of the forfeiture and the company may resume its
20 business as if the forfeiture had never occurred.

21 (f) No limited liability company shall be required to file its first annual
22 report under this act, or pay any annual franchise ~~tax~~ *fee* required to
23 accompany such report, unless such limited liability company has filed its
24 articles of organization or application for authority at least six months prior
25 to the last day of its tax period. ~~If any limited liability company files with~~
26 ~~the secretary of state a notice of change in its tax period and the next~~
27 ~~annual report filed by such limited liability company subsequent to such~~
28 ~~notice is based on a tax period of less than 12 months, the annual tax~~
29 ~~liability shall be determined by multiplying the annual franchise tax li-~~
30 ~~ability for such year by a fraction, the numerator of which is the number~~
31 ~~of months or any portion thereof covered by the annual report and the~~
32 ~~denominator of which is 12, except that the tax shall not be less than \$40.~~

33 Sec. 18. K.S.A. 2003 Supp. 45-221 is hereby amended to read as
34 follows: 45-221. (a) Except to the extent disclosure is otherwise required
35 by law, a public agency shall not be required to disclose:

36 (1) Records the disclosure of which is specifically prohibited or re-
37 stricted by federal law, state statute or rule of the Kansas supreme court
38 or the disclosure of which is prohibited or restricted pursuant to specific
39 authorization of federal law, state statute or rule of the Kansas supreme
40 court to restrict or prohibit disclosure.

41 (2) Records which are privileged under the rules of evidence, unless
42 the holder of the privilege consents to the disclosure.

43 (3) Medical, psychiatric, psychological or alcoholism or drug depend-

- 1 ency treatment records which pertain to identifiable patients.
- 2 (4) Personnel records, performance ratings or individually identifica-
3 ble records pertaining to employees or applicants for employment, except
4 that this exemption shall not apply to the names, positions, salaries and
5 lengths of service of officers and employees of public agencies once they
6 are employed as such.
- 7 (5) Information which would reveal the identity of any undercover
8 agent or any informant reporting a specific violation of law.
- 9 (6) Letters of reference or recommendation pertaining to the char-
10 acter or qualifications of an identifiable individual.
- 11 (7) Library, archive and museum materials contributed by private
12 persons, to the extent of any limitations imposed as conditions of the
13 contribution.
- 14 (8) Information which would reveal the identity of an individual who
15 lawfully makes a donation to a public agency, if anonymity of the donor
16 is a condition of the donation.
- 17 (9) Testing and examination materials, before the test or examination
18 is given or if it is to be given again, or records of individual test or ex-
19 amination scores, other than records which show only passage or failure
20 and not specific scores.
- 21 (10) Criminal investigation records, except that the district court, in
22 an action brought pursuant to K.S.A. 45-222, and amendments thereto,
23 may order disclosure of such records, subject to such conditions as the
24 court may impose, if the court finds that disclosure:
- 25 (A) Is in the public interest;
- 26 (B) would not interfere with any prospective law enforcement action;
- 27 (C) would not reveal the identity of any confidential source or un-
28 dercover agent;
- 29 (D) would not reveal confidential investigative techniques or proce-
30 dures not known to the general public;
- 31 (E) would not endanger the life or physical safety of any person; and
- 32 (F) would not reveal the name, address, phone number or any other
33 information which specifically and individually identifies the victim of any
34 sexual offense in article 35 of chapter 21 of the Kansas Statutes Anno-
35 tated, and amendments thereto.
- 36 (11) Records of agencies involved in administrative adjudication or
37 civil litigation, compiled in the process of detecting or investigating vio-
38 lations of civil law or administrative rules and regulations, if disclosure
39 would interfere with a prospective administrative adjudication or civil
40 litigation or reveal the identity of a confidential source or undercover
41 agent.
- 42 (12) Records of emergency or security information or procedures of
43 a public agency, or plans, drawings, specifications or related information

1 for any building or facility which is used for purposes requiring security
2 measures in or around the building or facility or which is used for the
3 generation or transmission of power, water, fuels or communications, if
4 disclosure would jeopardize security of the public agency, building or
5 facility.

6 (13) The contents of appraisals or engineering or feasibility estimates
7 or evaluations made by or for a public agency relative to the acquisition
8 of property, prior to the award of formal contracts therefor.

9 (14) Correspondence between a public agency and a private individ-
10 ual, other than correspondence which is intended to give notice of an
11 action, policy or determination relating to any regulatory, supervisory or
12 enforcement responsibility of the public agency or which is widely dis-
13 tributed to the public by a public agency and is not specifically in response
14 to communications from such a private individual.

15 (15) Records pertaining to employer-employee negotiations, if dis-
16 closure would reveal information discussed in a lawful executive session
17 under K.S.A. 75-4319, and amendments thereto.

18 (16) Software programs for electronic data processing and documen-
19 tation thereof, but each public agency shall maintain a register, open to
20 the public, that describes:

21 (A) The information which the agency maintains on computer facil-
22 ities; and

23 (B) the form in which the information can be made available using
24 existing computer programs.

25 (17) Applications, financial statements and other information sub-
26 mitted in connection with applications for student financial assistance
27 where financial need is a consideration for the award.

28 (18) Plans, designs, drawings or specifications which are prepared by
29 a person other than an employee of a public agency or records which are
30 the property of a private person.

31 (19) Well samples, logs or surveys which the state corporation com-
32 mission requires to be filed by persons who have drilled or caused to be
33 drilled, or are drilling or causing to be drilled, holes for the purpose of
34 discovery or production of oil or gas, to the extent that disclosure is limited
35 by rules and regulations of the state corporation commission.

36 (20) Notes, preliminary drafts, research data in the process of anal-
37 ysis, unfunded grant proposals, memoranda, recommendations or other
38 records in which opinions are expressed or policies or actions are pro-
39 posed, except that this exemption shall not apply when such records are
40 publicly cited or identified in an open meeting or in an agenda of an open
41 meeting.

42 (21) Records of a public agency having legislative powers, which re-
43 cords pertain to proposed legislation or amendments to proposed legis-

- 1 lation, except that this exemption shall not apply when such records are:
2 (A) Publicly cited or identified in an open meeting or in an agenda
3 of an open meeting; or
4 (B) distributed to a majority of a quorum of any body which has au-
5 thority to take action or make recommendations to the public agency with
6 regard to the matters to which such records pertain.
- 7 (22) Records of a public agency having legislative powers, which re-
8 cords pertain to research prepared for one or more members of such
9 agency, except that this exemption shall not apply when such records are:
10 (A) Publicly cited or identified in an open meeting or in an agenda
11 of an open meeting; or
12 (B) distributed to a majority of a quorum of any body which has au-
13 thority to take action or make recommendations to the public agency with
14 regard to the matters to which such records pertain.
- 15 (23) Library patron and circulation records which pertain to identi-
16 fiable individuals.
- 17 (24) Records which are compiled for census or research purposes and
18 which pertain to identifiable individuals.
- 19 (25) Records which represent and constitute the work product of an
20 attorney.
- 21 (26) Records of a utility or other public service pertaining to individ-
22 ually identifiable residential customers of the utility or service, except that
23 information concerning billings for specific individual customers named
24 by the requester shall be subject to disclosure as provided by this act.
- 25 (27) Specifications for competitive bidding, until the specifications
26 are officially approved by the public agency.
- 27 (28) Sealed bids and related documents, until a bid is accepted or all
28 bids rejected.
- 29 (29) Correctional records pertaining to an identifiable inmate or re-
30 lease, except that:
31 (A) The name; photograph and other identifying information; sen-
32 tence data; parole eligibility date; custody or supervision level; disciplinary
33 record; supervision violations; conditions of supervision, excluding
34 requirements pertaining to mental health or substance abuse counseling;
35 location of facility where incarcerated or location of parole office main-
36 taining supervision and address of a releasee whose crime was committed
37 after the effective date of this act shall be subject to disclosure to any
38 person other than another inmate or releasee, except that the disclosure
39 of the location of an inmate transferred to another state pursuant to the
40 interstate corrections compact shall be at the discretion of the secretary
41 of corrections;
42 (B) the ombudsman of corrections, the attorney general, law enforce-
43 ment agencies, counsel for the inmate to whom the record pertains and

1 any county or district attorney shall have access to correctional records to
2 the extent otherwise permitted by law;

3 (C) the information provided to the law enforcement agency pursu-
4 ant to the sex offender registration act, K.S.A. 22-4901, *et seq.*, and
5 amendments thereto, shall be subject to disclosure to any person, except
6 that the name, address, telephone number or any other information which
7 specifically and individually identifies the victim of any offender required
8 to register as provided by the Kansas offender registration act, K.S.A. 22-
9 4901 *et seq.* and amendments thereto, shall not be disclosed; and

10 (D) records of the department of corrections regarding the financial
11 assets of an offender in the custody of the secretary of corrections shall
12 be subject to disclosure to the victim, or such victim's family, of the crime
13 for which the inmate is in custody as set forth in an order of restitution
14 by the sentencing court.

15 (30) Public records containing information of a personal nature
16 where the public disclosure thereof would constitute a clearly unwar-
17 ranted invasion of personal privacy.

18 (31) Public records pertaining to prospective location of a business
19 or industry where no previous public disclosure has been made of the
20 business' or industry's interest in locating in, relocating within or expand-
21 ing within the state. This exception shall not include those records per-
22 taining to application of agencies for permits or licenses necessary to do
23 business or to expand business operations within this state, except as
24 otherwise provided by law.

25 (32) Engineering and architectural estimates made by or for any pub-
26 lic agency relative to public improvements.

27 (33) Financial information submitted by contractors in qualification
28 statements to any public agency.

29 (34) Records involved in the obtaining and processing of intellectual
30 property rights that are expected to be, wholly or partially vested in or
31 owned by a state educational institution, as defined in K.S.A. 76-711, and
32 amendments thereto, or an assignee of the institution organized and ex-
33 isting for the benefit of the institution.

34 (35) Any report or record which is made pursuant to K.S.A. 65-4922,
35 65-4923 or 65-4924, and amendments thereto, and which is privileged
36 pursuant to K.S.A. 65-4915 or 65-4925, and amendments thereto.

37 (36) Information which would reveal the precise location of an ar-
38 cheological site.

39 (37) Any financial data or traffic information from a railroad company,
40 to a public agency, concerning the sale, lease or rehabilitation of the
41 railroad's property in Kansas.

42 (38) Risk-based capital reports, risk-based capital plans and corrective
43 orders including the working papers and the results of any analysis filed

1 with the commissioner of insurance in accordance with K.S.A. 40-2c20
2 and 40-2d20 and amendments thereto.

3 (39) Memoranda and related materials required to be used to support
4 the annual actuarial opinions submitted pursuant to subsection (b) of
5 K.S.A. 40-409, and amendments thereto.

6 (40) Disclosure reports filed with the commissioner of insurance un-
7 der subsection (a) of K.S.A. 40-2,156, and amendments thereto.

8 (41) All financial analysis ratios and examination synopses concerning
9 insurance companies that are submitted to the commissioner by the na-
10 tional association of insurance commissioners' insurance regulatory infor-
11 mation system.

12 (42) Any records the disclosure of which is restricted or prohibited
13 by a tribal-state gaming compact.

14 (43) Market research, market plans, business plans and the terms and
15 conditions of managed care or other third party contracts, developed or
16 entered into by the university of Kansas medical center in the operation
17 and management of the university hospital which the chancellor of the
18 university of Kansas or the chancellor's designee determines would give
19 an unfair advantage to competitors of the university of Kansas medical
20 center.

21 (44) The amount of franchise tax paid to the *secretary of revenue or*
22 *the* secretary of state by domestic corporations, foreign corporations, do-
23 mestic limited liability companies, foreign limited liability companies, do-
24 mestic limited partnership, foreign limited partnership, domestic limited
25 liability partnerships and foreign limited liability partnerships.

26 (45) Records the disclosure of which would pose a substantial likeli-
27 hood of revealing security measures that protect: (A) Systems, facilities
28 or equipment used in the production, transmission or distribution of en-
29 ergy, water or communications services; or (B) sewer or wastewater treat-
30 ment systems, facilities or equipment. For purposes of this paragraph,
31 security means measures that protect against criminal acts intended to
32 intimidate or coerce the civilian population, influence government policy
33 by intimidation or coercion or to affect the operation of government by
34 disruption of public services, mass destruction, assassination or
35 kidnapping.

36 (46) Any information or material received by the secretary of state
37 pursuant to subsection (b) of K.S.A. 2003 Supp. 44-1518, and amend-
38 ments thereto, except when such information is required to be submitted
39 in an application pursuant to K.S.A. 2003 Supp. 44-1520, and amend-
40 ments thereto.

41 (b) Except to the extent disclosure is otherwise required by law or as
42 appropriate during the course of an administrative proceeding or on ap-
43 peal from agency action, a public agency or officer shall not disclose fi-

1 nancial information of a taxpayer which may be required or requested by
2 a county appraiser or the director of property valuation to assist in the
3 determination of the value of the taxpayer's property for ad valorem tax-
4 ation purposes; or any financial information of a personal nature required
5 or requested by a public agency or officer, including a name, job descrip-
6 tion or title revealing the salary or other compensation of officers, em-
7 ployees or applicants for employment with a firm, corporation or agency,
8 except a public agency. Nothing contained herein shall be construed to
9 prohibit the publication of statistics, so classified as to prevent identifi-
10 cation of particular reports or returns and the items thereof.

11 (c) As used in this section, the term "cited or identified" shall not
12 include a request to an employee of a public agency that a document be
13 prepared.

14 (d) If a public record contains material which is not subject to dis-
15 closure pursuant to this act, the public agency shall separate or delete
16 such material and make available to the requester that material in the
17 public record which is subject to disclosure pursuant to this act. If a public
18 record is not subject to disclosure because it pertains to an identifiable
19 individual, the public agency shall delete the identifying portions of the
20 record and make available to the requester any remaining portions which
21 are subject to disclosure pursuant to this act, unless the request is for a
22 record pertaining to a specific individual or to such a limited group of
23 individuals that the individuals' identities are reasonably ascertainable, the
24 public agency shall not be required to disclose those portions of the record
25 which pertain to such individual or individuals.

26 (e) The provisions of this section shall not be construed to exempt
27 from public disclosure statistical information not descriptive of any iden-
28 tifiable person.

29 (f) Notwithstanding the provisions of subsection (a), any public rec-
30 ord which has been in existence more than 70 years shall be open for
31 inspection by any person unless disclosure of the record is specifically
32 prohibited or restricted by federal law, state statute or rule of the Kansas
33 supreme court or by a policy adopted pursuant to K.S.A. 72-6214, and
34 amendments thereto.

35 Sec. 19. K.S.A. 2003 Supp. 56-1a606 is hereby amended to read as
36 follows: 56-1a606. (a) Every limited partnership organized under the laws
37 of this state shall make an annual report in writing to the secretary of
38 state, stating the prescribed information concerning the limited partner-
39 ship at the close of business on the last day of its tax period next preceding
40 the date of filing. If the limited partnership's tax period is other than the
41 calendar year, it shall give notice of its different tax period to the secretary
42 of state prior to December 31 of the year it commences the different tax
43 period. The annual report shall be filed at the time prescribed by law for

1 filing the limited partnership's annual Kansas income tax return. If the
2 limited partnership applies for an extension of time for filing its annual
3 income tax return under the internal revenue code or under K.S.A. 79-
4 3221 and amendments thereto, the limited partnership shall also apply,
5 not more than 90 days after the due date of its annual report, to the
6 secretary of state for an extension of the time for filing its report and an
7 extension shall be granted for a period of time corresponding to that
8 granted under the internal revenue code or K.S.A. 79-3221 and amend-
9 ments thereto. The application shall include a copy of the application to
10 income tax authorities.

11 (b) The annual report shall be made on a form prescribed by the
12 secretary of state. The report shall contain the following information:

- 13 (1) The name of the limited partnership; and
14 (2) a list of the partners owning at least 5% of the capital of the
15 partnership, with the post office address of each.

16 (c) Every limited partnership subject to the provisions of this section
17 which is a limited corporate partnership, as defined in K.S.A. 17-5903
18 and amendments thereto, and which holds agricultural land, as defined
19 in K.S.A. 17-5903 and amendments thereto, within this state shall show
20 the following additional information on the report:

- 21 (1) The number of acres and location, listed by section, range, town-
22 ship and county of each lot, tract or parcel of agricultural land in this state
23 owned or leased by the limited partnership; and

- 24 (2) whether any of the agricultural land held and reported under sub-
25 section (c)(1) was acquired after July 1, 1981.

26 (d) The annual report shall be signed by the general partner or part-
27 ners of the limited partnership, sworn to before an officer duly authorized
28 to administer oaths and forwarded to the secretary of state. At the time
29 of filing the report, the limited partnership shall pay to the secretary of
30 state an annual franchise ~~tax fee~~ in an amount equal to ~~\$2 for each \$1,000~~
31 ~~of the partners' net capital accounts located in or used in this state at the~~
32 ~~end of the preceding taxable year as required to be reported on the fed-~~
33 ~~eral partnership return of income, except that no annual tax shall be less~~
34 ~~than \$40 or more than \$5,000. The amount of any such franchise tax paid~~
35 ~~by the limited partnership to the secretary as provided by this subsection~~
36 ~~shall not be disclosed by the secretary not to exceed \$40.~~

37 (e) The provisions of K.S.A. 17-7509 and amendments thereto, re-
38 lating to penalties for failure of a corporation to file an annual report or
39 pay the required franchise ~~tax fee~~, and the provisions of subsection (a) of
40 K.S.A. 17-7510 and amendments thereto, relating to forfeiture of a do-
41 mestic corporation's articles of incorporation for failure to file an annual
42 report or pay the required franchise ~~tax fee~~, shall be applicable to the
43 certificate of partnership of any limited partnership which fails to file its

1 annual report or pay the franchise ~~tax~~ *fee* within 90 days of the time
2 prescribed in this section for filing and paying the same. Whenever the
3 certificate of partnership of a limited partnership is forfeited for failure
4 to file an annual report or to pay the required franchise ~~tax~~ *fee*, the limited
5 partnership may be reinstated by filing a certificate of reinstatement, in
6 the manner and form to be prescribed by the secretary of state and paying
7 to the secretary of state all fees ~~and taxes~~, including any penalties thereon,
8 due to the state. The fee for filing a certificate of reinstatement shall be
9 the same as that prescribed by K.S.A. 17-7506 and amendments thereto
10 for filing a certificate of extension, restoration, renewal or revival of a
11 corporation's articles of incorporation.

12 Sec. 20. K.S.A. 2003 Supp. 56-1a607 is hereby amended to read as
13 follows: 56-1a607. (a) Every foreign limited partnership shall make an
14 annual report in writing to the secretary of state, stating the prescribed
15 information concerning the limited partnership at the close of business
16 on the last day of its tax period next preceding the date of filing. If the
17 limited partnership's tax period is other than the calendar year, it shall
18 give notice of its different tax period to the secretary of state prior to
19 December 31 of the year it commences the different tax period. The
20 annual report shall be filed at the time prescribed by law for filing the
21 limited partnership's annual Kansas income tax return. If the limited part-
22 nership applies for an extension of time for filing its annual income tax
23 return under the internal revenue code or under K.S.A. 79-3221 and
24 amendments thereto, the limited partnership shall also apply, not more
25 than 90 days after the due date of its annual report, to the secretary of
26 state for an extension of the time for filing its report and an extension
27 shall be granted for a period of time corresponding to that granted under
28 the internal revenue code or K.S.A. 79-3221 and amendments thereto.
29 The application shall include a copy of the application to income tax
30 authorities.

31 (b) The annual report shall be made on a form prescribed by the
32 secretary of state. The report shall contain the name of the limited
33 partnership.

34 (c) Every foreign limited partnership subject to the provisions of this
35 section which is a limited corporate partnership, as defined in K.S.A. 17-
36 5903 and amendments thereto, and which holds agricultural land, as de-
37 fined in K.S.A. 17-5903 and amendments thereto, within this state shall
38 show the following additional information on the report:

39 (1) The number of acres and location, listed by section, range, town-
40 ship and county of agricultural land in this state owned or leased by the
41 limited partnership; and

42 (2) whether any of the agricultural land held and reported under sub-
43 section (c)(1) was acquired after July 1, 1981.

1 (d) The annual report shall be signed by the general partner or part-
2 ners of the limited partnership, sworn to before an officer duly authorized
3 to administer oaths and forwarded to the secretary of state. At the time
4 of filing the report, the foreign limited partnership shall pay to the sec-
5 retary of state an annual franchise ~~tax fee~~ in an amount equal to ~~\$2~~ for
6 each \$1,000 of the partners' net capital accounts located in or used in this
7 state at the end of the preceding taxable year as required to be reported
8 on the federal partnership return of income, except that no annual tax
9 shall be less than \$40 or more than \$5,000. The amount of any such
10 franchise tax paid by the limited partnership to the secretary as provided
11 by this subsection shall not be disclosed by the secretary *not to exceed*
12 *\$40*.

13 (e) The provisions of K.S.A. 17-7509 and amendments thereto, re-
14 lating to penalties for failure of a corporation to file an annual report or
15 pay the required franchise ~~tax fee~~, and the provisions of subsection (b) of
16 K.S.A. 17-7510 and amendments thereto, relating to forfeiture of a for-
17 eign corporation's authority to do business in this state for failure to file
18 an annual report or pay the required franchise ~~tax fee~~, shall be applica-
19 ble to the authority of any foreign limited partnership which fails to file its
20 annual report or pay the franchise ~~tax fee~~ within 90 days of the time
21 prescribed in this section for filing and paying the same. Whenever the
22 authority of a foreign limited partnership to do business in this state is
23 forfeited for failure to file an annual report or to pay the required fran-
24 chise ~~tax fee~~, the foreign limited partnership's authority to do business in
25 this state may be reinstated by filing a certificate of reinstatement, in the
26 manner and form to be prescribed by the secretary of state and paying
27 to the secretary of state all fees ~~and taxes~~, including any penalties thereon,
28 due to the state. The fee for filing a certificate of reinstatement shall be
29 the same as that prescribed by K.S.A. 17-7506 and amendments thereto
30 for filing a certificate of extension, restoration, renewal or revival of a
31 corporation's articles of incorporation.

32 Sec. 21. K.S.A. 56-1a608 is hereby amended to read as follows: 56-
33 1a608. No limited partnership shall be required to file its first annual
34 report under this act, or pay any annual franchise ~~tax fee~~ required to
35 accompany such report, unless such limited partnership has filed its cer-
36 tificate of limited partnership or certificate of good standing at least six
37 months prior to the last day of its tax period. ~~If any limited partnership~~
38 ~~files with the secretary of state a notice of change in its tax period and~~
39 ~~the next annual report filed by such limited partnership subsequent to~~
40 ~~such notice is based on a tax period of less than 12 months, there shall~~
41 ~~be no reduction or proration of the annual tax required to accompany~~
42 ~~such report.~~

43 Sec. 22. K.S.A. 2003 Supp. 56a-1201 is hereby amended to read as

1 follows: 56a-1201. (a) Every limited liability partnership organized under
2 the laws of this state shall make an annual report in writing to the secretary
3 of state, stating the prescribed information concerning the limited liability
4 partnership at the close of business on the last day of its tax period next
5 preceding the date of filing. If the limited liability partnership's tax period
6 is other than the calendar year, it shall give notice of its different tax
7 period in writing to the secretary of state prior to December 31 of the
8 year it commences the different tax period. The annual report shall be
9 filed at the time prescribed by law for filing the limited liability partner-
10 ship's annual Kansas income tax return. If the limited liability partnership
11 applies for an extension of time for filing its annual income tax return
12 under the internal revenue code, the limited liability partnership shall
13 also apply, not more than 90 days after the due date of its annual report,
14 to the secretary of state for an extension of the time for filing its report
15 and an extension shall be granted for a period of time corresponding to
16 that granted under the internal revenue code. The application shall in-
17 clude a copy of the application to income tax authorities.

18 (b) The annual report shall be made on a form prescribed by the
19 secretary of state. The report shall contain the following information:

20 (1) The name of the limited liability partnership; and

21 (2) a list of the partners owning at least 5% of the capital of the
22 partnership, with the post office address of each.

23 (c) The annual report shall be signed by a partner of the limited
24 liability partnership and forwarded to the secretary of state. At the time
25 of filing the report, the limited liability partnership shall pay to the sec-
26 retary of state an annual franchise ~~tax fee~~ in an amount ~~equal to \$2 for~~
27 ~~each \$1,000 of the net capital accounts located in or used in this state at~~
28 ~~the end of the preceding taxable year as required to be reported on the~~
29 ~~federal partnership return of income, except that no annual tax shall be~~
30 ~~less than \$40 or more than \$5,000. The amount of any such franchise tax~~
31 ~~paid by the limited liability partnership to the secretary as provided by~~
32 ~~this subsection shall not be disclosed by the secretary not to exceed \$40.~~

33 (d) The provisions of K.S.A. 17-7509, and amendments thereto, re-
34 lating to penalties for failure of a corporation to file an annual report or
35 pay the required franchise ~~tax fee~~, and the provisions of subsection (a) of
36 K.S.A. 17-7510 and amendments thereto, relating to penalties for failure
37 of a corporation to file an annual report or pay the required franchise ~~tax~~
38 ~~fee~~, shall be applicable to the statement of qualification of any limited
39 liability partnership which fails to file its annual report or pay the franchise
40 ~~tax fee~~ within 90 days of the time prescribed in this section for filing and
41 paying the same. Whenever the statement of qualification of a limited
42 liability partnership is forfeited for failure to file an annual report or to
43 pay the required franchise ~~tax fee~~, the limited liability partnership may

1 be reinstated by filing a certificate of reinstatement, in the manner and
2 form to be prescribed by the secretary of state and paying to the secretary
3 of state all fees ~~and taxes~~, including any penalties thereon, due to the
4 state. The fee for filing a certificate of reinstatement shall be the same as
5 that prescribed by K.S.A. 17-7506, and amendments thereto, for filing a
6 certificate of extension, restoration, renewal or revival of a corporation's
7 articles of incorporation.

8 Sec. 23. K.S.A. 2003 Supp. 56a-1202 is hereby amended to read as
9 follows: 56a-1202. (a) Every foreign limited liability partnership shall
10 make an annual report in writing to the secretary of state, stating the
11 prescribed information concerning the foreign limited liability partner-
12 ship at the close of business on the last day of its tax period next preceding
13 the date of filing. If the foreign limited liability partnership's tax period
14 is other than the calendar year, it shall give notice in writing of its different
15 tax period to the secretary of state prior to December 31 of the year it
16 commences the different tax period. The annual report shall be filed at
17 the time prescribed by law for filing the foreign limited liability partner-
18 ship's annual Kansas income tax return. If the foreign limited liability
19 partnership applies for an extension of time for filing its annual income
20 tax return under the internal revenue code, the foreign limited liability
21 partnership shall also apply, not more than 90 days after the due date of
22 its annual report, to the secretary of state for an extension of the time for
23 filing its report and an extension shall be granted for a period of time
24 corresponding to that granted under the internal revenue code. The ap-
25 plication shall include a copy of the application to income tax authorities.

26 (b) The annual report shall be made on a form prescribed by the
27 secretary of state. The report shall contain the name of the foreign limited
28 liability partnership.

29 (c) The annual report shall be signed by a partner of the foreign
30 limited liability partnership and forwarded to the secretary of state. At
31 the time of filing the report, the foreign limited liability partnership shall
32 pay to the secretary of state an annual franchise ~~tax fee~~ in an amount equal
33 ~~to \$2 for each \$1,000 of the net capital accounts located in or used in this~~
34 ~~state at the end of the preceding taxable year as required to be reported~~
35 ~~on the federal partnership return of income, except that no annual tax~~
36 ~~shall be less than \$40 or more than \$5,000. The amount of any such~~
37 ~~franchise tax paid by the foreign limited liability partnership to the sec-~~
38 ~~retary as provided by this subsection shall not be disclosed by the secre-~~
39 ~~tary not to exceed \$40.~~

40 (d) The provisions of K.S.A. 17-7509, and amendments thereto, re-
41 lating to penalties for failure of a corporation to file an annual report or
42 pay the required franchise ~~tax fee~~, and the provisions of subsection (a) of
43 K.S.A. 17-7510, and amendments thereto, relating to penalties for failure

1 of a corporation to file an annual report or pay the required franchise ~~tax~~
2 *fee*, shall be applicable to the statement of foreign qualification of any
3 foreign limited liability partnership which fails to file its annual report or
4 pay the franchise ~~tax~~ *fee* within 90 days of the time prescribed in this
5 section for filing and paying the same. Whenever the statement of foreign
6 qualification of a foreign limited liability partnership is forfeited for failure
7 to file an annual report or to pay the required franchise ~~tax~~ *fee*, the state-
8 ment of foreign qualification of the foreign limited liability partnership
9 may be reinstated by filing a certificate of reinstatement, in the manner
10 and form to be prescribed by the secretary of state and paying to the
11 secretary of state all fees ~~and taxes~~, including any penalties thereon, due
12 to the state. The fee for filing a certificate of reinstatement shall be the
13 same as that prescribed by K.S.A. 17-7506, and amendments thereto, for
14 filing a certificate of extension, restoration, renewal or revival of a cor-
15 poration's articles of incorporation.

16 Sec. 24. K.S.A. 2003 Supp. 56a-1203 is hereby amended to read as
17 follows: 56a-1203. No limited liability partnership or foreign limited lia-
18 bility partnership shall be required to file its first annual report under this
19 act, or pay any annual franchise ~~tax~~ *fee* required to accompany such report,
20 unless such partnership has filed its statement of qualification or foreign
21 qualification at least six months prior to the last day of its tax period. ~~If~~
22 ~~any such partnership files with the secretary of state a notice of change~~
23 ~~in its tax period and the next annual report filed by such partnership~~
24 ~~subsequent to such notice is based on a tax period of less than 12 months,~~
25 ~~the annual tax liability shall be determined by multiplying the annual~~
26 ~~franchise tax liability for such year by a fraction, the numerator of which~~
27 ~~is the number of months or any portion thereof covered by the annual~~
28 ~~report and the denominator of which is 12, except that the tax shall not~~
29 ~~be less than \$40.~~

30 New Sec. 25. ~~(a) There is hereby created the franchise fee fund in~~
31 ~~the state treasury.~~ The secretary of state shall remit all moneys received
32 from franchise fees, to the state treasurer in accordance with the provi-
33 sions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each
34 such remittance, the state treasurer shall deposit the entire amount in the
35 state treasury to the credit of the ~~franchise fee~~ **state general** fund.

36 ~~(b) All expenditures from the franchise fee fund shall be in accord-~~
37 ~~ance with appropriations acts upon warrants of the director of accounts~~
38 ~~and reports issued pursuant to vouchers approved by the secretary of state~~
39 ~~or by a person or persons designated by the secretary.~~

40 Sec. 26. K.S.A. 17-1513, 17-1618, 17-7510, 17-7511, 17-7512 and 56-
41 1a608 and K.S.A. 2003 Supp. 17-2036, 17-2718, 17-4634, 17-4677, 17-
42 7503, 17-7504, 17-7505, 17-7507, 17-7508, 17-7509, 17-76,125, 17-
43 76,139, 45-221, 56-1a606, 56-1a607, 56a-1201, 56a-1202 and 56a-1203

- 1 are hereby repealed.
- 2 Sec. 27. This act shall take effect and be in force from and after its
- 3 publication in the statute book.