

Substitute for HOUSE BILL No. 2023

By Committee on Taxation

3-10

10 AN ACT concerning sales taxation; relating to retailers' sales tax, au-
11 thority of cities; **[excise tax, limitations;]** amending K.S.A. 12-195b,
12 as amended by section 3 of 2006 House Bill No. 2698, and K.S.A. 2005
13 Supp. 12-187, as amended by section 1 of 2006 House Bill No. 2698,
14 ~~and~~ 12-189, as amended by section 2 of 2006 House Bill No. 2698,
15 **[and 12-194]** and repealing the existing sections.
16

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

18 Section 1. K.S.A. 2005 Supp. 12-187, as amended by section 1 of
19 2006 House Bill No. 2698, is hereby amended to read as follows: 12-187.

20 (a) ~~(1)~~ No city shall impose a retailers' sales tax under the provisions of
21 this act without the governing body of such city having first submitted
22 such proposition to and having received the approval of a majority of the
23 electors of the city voting thereon at an election called and held therefor.
24 The governing body of any city may submit the question of imposing a
25 retailers' sales tax and the governing body shall be required to submit the
26 question upon submission of a petition signed by electors of such city
27 equal in number to not less than 10% of the electors of such city.

28 ~~(2) The governing body of any class B city located in any county which~~
29 ~~does not impose a countywide retailers' sales tax pursuant to paragraph~~
30 ~~(5) of subsection (b) may submit the question of imposing a retailers' sales~~
31 ~~tax at the rate of .25%, .5%, .75% or 1% and pledging the revenue re-~~
32 ~~ceived therefrom for the purpose of financing the provision of health care~~
33 ~~services, as enumerated in the question, to the electors at an election~~
34 ~~called and held thereon. The tax imposed pursuant to this paragraph shall~~
35 ~~be deemed to be in addition to the rate limitations prescribed in K.S.A.~~
36 ~~12-189, and amendments thereto. As used in this paragraph, health care~~
37 ~~services shall include but not be limited to the following: Local health~~
38 ~~departments, city, county or district hospitals, city or county nursing~~
39 ~~homes, preventive health care services including immunizations, prenatal~~
40 ~~care and the postponement of entry into nursing homes by home health~~
41 ~~care services, mental health services, indigent health care, physician or~~
42 ~~health care worker recruitment, health education, emergency medical~~
43 ~~services, rural health clinics, integration of health care services, home~~

1 ~~health services and rural health networks.~~

2 (b) (1) The board of county commissioners of any county may submit
3 the question of imposing a countywide retailers' sales tax to the electors
4 at an election called and held thereon, and any such board shall be re-
5 quired to submit the question upon submission of a petition signed by
6 electors of such county equal in number to not less than 10% of the
7 electors of such county who voted at the last preceding general election
8 for the office of secretary of state, or upon receiving resolutions request-
9 ing such an election passed by not less than $\frac{2}{3}$ of the membership of the
10 governing body of each of one or more cities within such county which
11 contains a population of not less than 25% of the entire population of the
12 county, or upon receiving resolutions requesting such an election passed
13 by $\frac{2}{3}$ of the membership of the governing body of each of one or more
14 taxing subdivisions within such county which levy not less than 25% of
15 the property taxes levied by all taxing subdivisions within the county.

16 (2) The board of county commissioners of Anderson, Atchison, Bar-
17 ton, Butler, Chase, Cowley, Cherokee, Crawford, Ford, Jefferson, Lyon,
18 Montgomery, Neosho, Osage, Ottawa, Riley, Saline, Seward, Sumner,
19 Wabaunsee, Wilson and Wyandotte counties may submit the question of
20 imposing a countywide retailers' sales tax and pledging the revenue re-
21 ceived therefrom for the purpose of financing the construction or re-
22 modeling of a courthouse, jail, law enforcement center facility or other
23 county administrative facility, to the electors at an election called and
24 held thereon. The tax imposed pursuant to this paragraph shall expire
25 when sales tax sufficient to pay all of the costs incurred in the financing
26 of such facility has been collected by retailers as determined by the sec-
27 retary of revenue. Nothing in this paragraph shall be construed to allow
28 the rate of tax imposed by Butler, Chase, Cowley, Lyon, Montgomery,
29 Neosho, Riley, Sumner or Wilson county pursuant to this paragraph to
30 exceed or be imposed at any rate other than the rates prescribed in K.S.A.
31 12-189, and amendments thereto.

32 (3) (A) Except as otherwise provided in this paragraph, the result of
33 the election held on November 8, 1988, on the question submitted by
34 the board of county commissioners of Jackson county for the purpose of
35 increasing its countywide retailers' sales tax by 1% is hereby declared
36 valid, and the revenue received therefrom by the county shall be ex-
37 pended solely for the purpose of financing the Banner Creek reservoir
38 project. The tax imposed pursuant to this paragraph shall take effect on
39 the effective date of this act and shall expire not later than five years after
40 such date.

41 (B) The result of the election held on November 8, 1994, on the
42 question submitted by the board of county commissioners of Ottawa
43 county for the purpose of increasing its countywide retailers' sales tax by

1 1% is hereby declared valid, and the revenue received therefrom by the
2 county shall be expended solely for the purpose of financing the erection,
3 construction and furnishing of a law enforcement center and jail facility.

4 (C) Except as otherwise provided in this paragraph, the result of the
5 election held on November 2, 2004, on the question submitted by the
6 board of county commissioners of Sedgwick county for the purpose of
7 increasing its countywide retailers' sales tax by 1% is hereby declared
8 valid, and the revenue received therefrom by the county shall be used
9 only to pay the costs of: (i) Acquisition of a site and constructing and
10 equipping thereon a new regional events center, associated parking and
11 infrastructure improvements and related appurtenances thereto, to be
12 located in the downtown area of the city of Wichita, Kansas, (the "down-
13 town arena"); (ii) design for the Kansas coliseum complex and construc-
14 tion of improvements to the pavilions; and (iii) establishing an operating
15 and maintenance reserve for the downtown arena and the Kansas coli-
16 seum complex. The tax imposed pursuant to this paragraph shall com-
17 mence on July 1, 2005, and shall terminate not later than 30 months after
18 the commencement thereof.

19 (4) The board of county commissioners of Finney and Ford counties
20 may submit the question of imposing a countywide retailers' sales tax at
21 the rate of .25% and pledging the revenue received therefrom for the
22 purpose of financing all or any portion of the cost to be paid by Finney
23 or Ford county for construction of highway projects identified as system
24 enhancements under the provisions of paragraph (5) of subsection (b) of
25 K.S.A. 68-2314, and amendments thereto, to the electors at an election
26 called and held thereon. Such election shall be called and held in the
27 manner provided by the general bond law. The tax imposed pursuant to
28 this paragraph shall expire upon the payment of all costs authorized pur-
29 suant to this paragraph in the financing of such highway projects. Nothing
30 in this paragraph shall be construed to allow the rate of tax imposed by
31 Finney or Ford county pursuant to this paragraph to exceed the maximum
32 rate prescribed in K.S.A. 12-189, and amendments thereto. If any funds
33 remain upon the payment of all costs authorized pursuant to this para-
34 graph in the financing of such highway projects in Finney county, the
35 state treasurer shall remit such funds to the treasurer of Finney county
36 and upon receipt of such moneys shall be deposited to the credit of the
37 county road and bridge fund. If any funds remain upon the payment of
38 all costs authorized pursuant to this paragraph in the financing of such
39 highway projects in Ford county, the state treasurer shall remit such funds
40 to the treasurer of Ford county and upon receipt of such moneys shall
41 be deposited to the credit of the county road and bridge fund.

42 (5) The board of county commissioners of any county may submit the
43 question of imposing a retailers' sales tax at the rate of .25%, .5%, .75%

1 or 1% and pledging the revenue received therefrom for the purpose of
2 financing the provision of health care services, as enumerated in the ques-
3 tion, to the electors at an election called and held thereon. Whenever any
4 county imposes a tax pursuant to this paragraph, any tax imposed pursuant
5 to paragraph (2) of subsection (a) by any city located in such county shall
6 expire upon the effective date of the imposition of the countywide tax,
7 and thereafter the state treasurer shall remit to each such city that portion
8 of the countywide tax revenue collected by retailers within such city as
9 certified by the director of taxation. The tax imposed pursuant to this
10 paragraph shall be deemed to be in addition to the rate limitations pre-
11 scribed in K.S.A. 12-189, and amendments thereto. As used in this par-
12 agraph, health care services shall include but not be limited to the follow-
13 ing: Local health departments, city or county hospitals, city or county
14 nursing homes, preventive health care services including immunizations,
15 prenatal care and the postponement of entry into nursing homes by home
16 care services, mental health services, indigent health care, physician or
17 health care worker recruitment, health education, emergency medical
18 services, rural health clinics, integration of health care services, home
19 health services and rural health networks.

20 (6) The board of county commissioners of Allen county may submit
21 the question of imposing a countywide retailers' sales tax at the rate of
22 .5% and pledging the revenue received therefrom for the purpose of
23 financing the costs of operation and construction of a solid waste disposal
24 area or the modification of an existing landfill to comply with federal
25 regulations to the electors at an election called and held thereon. The tax
26 imposed pursuant to this paragraph shall expire upon the payment of all
27 costs incurred in the financing of the project undertaken. Nothing in this
28 paragraph shall be construed to allow the rate of tax imposed by Allen
29 county pursuant to this paragraph to exceed or be imposed at any rate
30 other than the rates prescribed in K.S.A. 12-189 and amendments
31 thereto.

32 (7) The board of county commissioners of Clay, Dickinson and Miami
33 county may submit the question of imposing a countywide retailers' sales
34 tax at the rate of .50% in the case of Clay and Dickinson county and at a
35 rate of up to 1% in the case of Miami county, and pledging the revenue
36 received therefrom for the purpose of financing the costs of roadway
37 construction and improvement to the electors at an election called and
38 held thereon. Except as otherwise provided, the tax imposed pursuant to
39 this paragraph shall expire after five years from the date such tax is first
40 collected. The result of the election held on November 2, 2004, on the
41 question submitted by the board of county commissioners of Miami
42 county for the purpose of extending for an additional five-year period the
43 countywide retailers' sales tax imposed pursuant to this subsection in Mi-

1 ami county is hereby declared valid. The countywide retailers' sales tax
2 imposed pursuant to this subsection in Clay and Miami county may be
3 extended or reenacted for additional five-year periods upon the board of
4 county commissioners of Clay and Miami county submitting such ques-
5 tion to the electors at an election called and held thereon for each addi-
6 tional five-year period as provided by law.

7 (8) The board of county commissioners of Sherman county may sub-
8 mit the question of imposing a countywide retailers' sales tax at the rate
9 of 1% and pledging the revenue received therefrom for the purpose of
10 financing the costs of street and roadway improvements to the electors
11 at an election called and held thereon. The tax imposed pursuant to this
12 paragraph shall expire upon payment of all costs authorized pursuant to
13 this paragraph in the financing of such project.

14 (9) The board of county commissioners of Cowley, Russell and
15 Woodson county may submit the question of imposing a countywide re-
16 tailers' sales tax at the rate of .5% in the case of Russell and Woodson
17 county and at a rate of up to .25%, in the case of Cowley county and
18 pledging the revenue received therefrom for the purpose of financing
19 economic development initiatives or public infrastructure projects. The
20 tax imposed pursuant to this paragraph shall expire after five years from
21 the date such tax is first collected.

22 (10) The board of county commissioners of Franklin county may sub-
23 mit the question of imposing a countywide retailers' sales tax at the rate
24 of .25% and pledging the revenue received therefrom for the purpose of
25 financing recreational facilities. The tax imposed pursuant to this para-
26 graph shall expire upon payment of all costs authorized in financing such
27 facilities.

28 (11) The board of county commissioners of Douglas county may sub-
29 mit the question of imposing a countywide retailers' sales tax at the rate
30 of .25% and pledging the revenue received therefrom for the purposes
31 of preservation, access and management of open space, and for industrial
32 and business park related economic development.

33 (12) The board of county commissioners of Shawnee county may sub-
34 mit the question of imposing a countywide retailers' sales tax at the rate
35 of .25% and pledging the revenue received therefrom to the city of To-
36 peka for the purpose of financing the costs of rebuilding the Topeka
37 boulevard bridge and other public infrastructure improvements associ-
38 ated with such project to the electors at an election called and held
39 thereon. The tax imposed pursuant to this paragraph shall expire upon
40 payment of all costs authorized in financing such project.

41 (13) The board of county commissioners of Jackson county may sub-
42 mit the question of imposing a countywide retailers' sales tax at a rate of
43 .4% and pledging the revenue received therefrom as follows: 50% of such

1 revenues for the purpose of financing for economic development initia-
2 tives; and 50% of such revenues for the purpose of financing public in-
3 frastructure projects to the electors at an election called and held thereon.
4 The tax imposed pursuant to this paragraph shall expire after seven years
5 from the date such tax is first collected.

6 (14) The board of county commissioners of Neosho county may sub-
7 mit the question of imposing a countywide retailers' sales tax at the rate
8 of .5% and pledging the revenue received therefrom for the purpose of
9 financing the costs of roadway construction and improvement to the elec-
10 tors at an election called and held thereon. The tax imposed pursuant to
11 this paragraph shall expire upon payment of all costs authorized pursuant
12 to this paragraph in the financing of such project.

13 (c) The boards of county commissioners of any two or more contig-
14 uous counties, upon adoption of a joint resolution by such boards, may
15 submit the question of imposing a retailers' sales tax within such counties
16 to the electors of such counties at an election called and held thereon
17 and such boards of any two or more contiguous counties shall be required
18 to submit such question upon submission of a petition in each of such
19 counties, signed by a number of electors of each of such counties where
20 submitted equal in number to not less than 10% of the electors of each
21 of such counties who voted at the last preceding general election for the
22 office of secretary of state, or upon receiving resolutions requesting such
23 an election passed by not less than $\frac{2}{3}$ of the membership of the governing
24 body of each of one or more cities within each of such counties which
25 contains a population of not less than 25% of the entire population of
26 each of such counties, or upon receiving resolutions requesting such an
27 election passed by $\frac{2}{3}$ of the membership of the governing body of each
28 of one or more taxing subdivisions within each of such counties which
29 levy not less than 25% of the property taxes levied by all taxing subdivi-
30 sions within each of such counties.

31 (d) Any city retailers' sales tax ~~in the amount of .5% being levied by~~
32 ~~a city on prior to July 1, 1990 2006,~~ shall continue in effect until repealed
33 in the manner provided herein for the adoption and approval of such tax
34 or until repealed by the adoption of an ordinance ~~so providing. In addition~~
35 ~~to any city retailers' sales tax being levied by a city on July 1, 1990, any~~
36 ~~such city may adopt an additional city retailers' sales tax in the amount of~~
37 ~~.25% or .5%, provided that such additional tax is adopted and approved~~
38 ~~in the manner provided for the adoption and approval of a city retailers'~~
39 ~~sales tax for such repeal.~~ Any countywide retailers' sales tax in the amount
40 of .5% or 1% in effect on July 1, 1990, shall continue in effect until
41 repealed in the manner provided herein for the adoption and approval of
42 such tax.

43 (e) ~~A class D city shall have the same power to levy and collect a city~~

1 ~~retailers' sales tax that a class A city is authorized to levy and collect and~~
2 ~~in addition, the governing body of any class D city may submit the ques-~~
3 ~~tion of imposing an additional city retailers' sales tax in the amount of~~
4 ~~.125%, .25%, .5% or .75% and pledging the revenue received therefrom~~
5 ~~for economic development initiatives, strategic planning initiatives or for~~
6 ~~public infrastructure projects including buildings to the electors at an~~
7 ~~election called and held thereon. Any additional sales tax imposed pur-~~
8 ~~suant to this paragraph shall expire no later than five years from the date~~
9 ~~of imposition thereof, except that any such tax imposed by any class D~~
10 ~~city after the effective date of this act shall expire no later than 10 years~~
11 ~~from the date of imposition thereof.~~

12 ~~(f)~~ Any city or county proposing to adopt a retailers' sales tax shall
13 give notice of its intention to submit such proposition for approval by the
14 electors in the manner required by K.S.A. 10-120, and amendments
15 thereto. The notices shall state the time of the election and the rate and
16 effective date of the proposed tax. If a majority of the electors voting
17 thereon at such election fail to approve the proposition, such proposition
18 may be resubmitted under the conditions and in the manner provided in
19 this act for submission of the proposition. If a majority of the electors
20 voting thereon at such election shall approve the levying of such tax, the
21 governing body of any such city or county shall provide by ordinance or
22 resolution, as the case may be, for the levy of the tax. Any repeal of such
23 tax or any reduction or increase in the rate thereof, within the limits
24 prescribed by K.S.A. 12-189, and amendments thereto, shall be accom-
25 plished in the manner provided herein for the adoption and approval of
26 such tax except that the repeal of any such city retailers' sales tax may be
27 accomplished by the adoption of an ordinance so providing.

28 ~~(g)~~ (f) The sufficiency of the number of signers of any petition filed
29 under this section shall be determined by the county election officer.
30 Every election held under this act shall be conducted by the county elec-
31 tion officer.

32 ~~(h)~~ (g) The governing body of the city or county proposing to levy
33 any retailers' sales tax shall specify the purpose or purposes for which the
34 revenue would be used, and a statement generally describing such pur-
35 pose or purposes shall be included as a part of the ballot proposition.

36 Sec. 2. K.S.A. 2005 Supp. 12-189, as amended by section 2 of 2006
37 House Bill No. 2698, is hereby amended to read as follows: 12-189. Ex-
38 cept as otherwise provided by paragraph (2) of subsection (a) of K.S.A.
39 12-187, and amendments thereto, The rate of any class A, class B or class
40 C city retailers' sales tax shall be fixed in increments of .05% and in the
41 an amount of .25%, .5%, .75% or 1% not to exceed 2% for general pur-
42 poses and not to exceed 1% for special purposes which amount shall be
43 determined by the governing body of the city. Except as otherwise pro-

1 ~~vided by paragraph (2) of subsection (a) of K.S.A. 12-187, and amend-~~
2 ~~ments thereto, the rate of any class D city retailers' sales tax shall be fixed~~
3 ~~in the amount of .10%, .25%, .5%, .75%, 1%, 1.125%, 1.25%, 1.5% or~~
4 ~~1.75%. For any retailers' sales tax imposed by a city for special purposes,~~
5 ~~such city shall specify the purposes for which such tax is imposed. All~~
6 ~~such special purpose retailers' sales taxes imposed by a city shall expire~~
7 ~~after 10 years from the date such tax is first collected.~~ The rate of any
8 countywide retailers' sales tax shall be fixed in an amount of either .25%,
9 .5%, .75% or 1% which amount shall be determined by the board of
10 county commissioners, except that:

11 (a) The board of county commissioners of Wabaunsee county, for the
12 purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and amend-
13 ments thereto, may fix such rate at 1.25%; the board of county commis-
14 sioners of Osage county, for the purposes of paragraph (2) of subsection
15 (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at 1.25%
16 or 1.5%; the board of county commissioners of Cherokee, Crawford,
17 Ford, Saline, Seward or Wyandotte county, for the purposes of paragraph
18 (2) of subsection (b) of K.S.A. 12-187, and amendments thereto, may fix
19 such rate at 1.5%, the board of county commissioners of Atchison county,
20 for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-187, and
21 amendments thereto, may fix such rate at 1.5% or 1.75% and the board
22 of county commissioners of Anderson, Barton, Jefferson or Ottawa
23 county, for the purposes of paragraph (2) of subsection (b) of K.S.A. 12-
24 187, and amendments thereto, may fix such rate at 2%;

25 (b) the board of county commissioners of Jackson county, for the
26 purposes of paragraph (3) of subsection (b) of K.S.A. 12-187, and amend-
27 ments thereto, may fix such rate at 2%;

28 (c) the boards of county commissioners of Finney and Ford counties,
29 for the purposes of paragraph (4) of subsection (b) of K.S.A. 12-187, and
30 amendments thereto, may fix such rate at .25%;

31 (d) the board of county commissioners of any county for the purposes
32 of paragraph (5) of subsection (b) of K.S.A. 12-187, and amendments
33 thereto, may fix such rate at a percentage which is equal to the sum of
34 the rate allowed to be imposed by a board of county commissioners on
35 the effective date of this act plus .25%, .5%, .75% or 1%, as the case
36 requires;

37 (e) the board of county commissioners of Dickinson county, for the
38 purposes of paragraph (7) of subsection (b) of K.S.A. 12-187, and amend-
39 ments thereto, may fix such rate at 1.5%, and the board of county com-
40 missioners of Miami county, for the purposes of paragraph (7) of subsec-
41 tion (b) of K.S.A. 12-187, and amendments thereto, may fix such rate at
42 1.25%, 1.5%, 1.75% or 2%;

43 (f) the board of county commissioners of Sherman county, for the

1 purposes of paragraph (8) of subsection (b) of K.S.A. 12-187, and amend-
2 ments thereto, may fix such rate at 2.25%;

3 (g) the board of county commissioners of Russell county for the pur-
4 poses of paragraph (9) of subsection (b) of K.S.A. 12-187, and amend-
5 ments thereto, may fix such rate at 1.5%;

6 (h) the board of county commissioners of Franklin county, for the
7 purposes of paragraph (10) of subsection (b) of K.S.A. 12-187, and
8 amendments thereto, may fix such rate at 1.75%;

9 (i) the board of county commissioners of Douglas county, for the
10 purposes of paragraph (11) of subsection (b) of K.S.A. 12-187, and
11 amendments thereto, may fix such rate at 1.25%;

12 (j) the board of county commissioners of Jackson county, for the pur-
13 poses of subsection (b)(13) of K.S.A. 12-187 and amendments thereto,
14 may fix such rate at 1.4%;

15 (k) the board of county commissioners of Sedgwick county, for the
16 purposes of paragraph (3)(C) of subsection (b) of K.S.A. 12-187, and
17 amendments thereto, may fix such rate at 2%; or

18 (l) the board of county commissioners of Neosho county, for the pur-
19 poses of paragraph (14) of subsection (b) of K.S.A. 12-187, and amend-
20 ments thereto, may fix such rate at 1.0% or 1.5%.

21 Any county or city levying a retailers' sales tax is hereby prohibited
22 from administering or collecting such tax locally, but shall utilize the serv-
23 ices of the state department of revenue to administer, enforce and collect
24 such tax. Except as otherwise specifically provided in K.S.A. 12-189a, and
25 amendments thereto, such tax shall be identical in its application, and
26 exemptions therefrom, to the Kansas retailers' sales tax act and all laws
27 and administrative rules and regulations of the state department of rev-
28 enue relating to the Kansas retailers' sales tax shall apply to such local
29 sales tax insofar as such laws and rules and regulations may be made
30 applicable. The state director of taxation is hereby authorized to admin-
31 ister, enforce and collect such local sales taxes and to adopt such rules
32 and regulations as may be necessary for the efficient and effective ad-
33 ministration and enforcement thereof.

34 Upon receipt of a certified copy of an ordinance or resolution author-
35 izing the levy of a local retailers' sales tax, the director of taxation shall
36 cause such taxes to be collected within or without the boundaries of such
37 taxing subdivision at the same time and in the same manner provided for
38 the collection of the state retailers' sales tax. Such copy shall be submitted
39 to the director of taxation within 30 days after adoption of any such or-
40 dinance or resolution. All moneys collected by the director of taxation
41 under the provisions of this section shall be credited to a county and city
42 retailers' sales tax fund which fund is hereby established in the state treas-
43 ury. Any refund due on any county or city retailers' sales tax collected

1 pursuant to this act shall be paid out of the sales tax refund fund and
2 reimbursed by the director of taxation from collections of local retailers'
3 sales tax revenue. Except for local retailers' sales tax revenue required to
4 be deposited in the redevelopment bond fund established under K.S.A.
5 74-8927, and amendments thereto, all local retailers' sales tax revenue
6 collected within any county or city pursuant to this act shall be appor-
7 tioned and remitted at least quarterly by the state treasurer, on instruction
8 from the director of taxation, to the treasurer of such county or city.

9 Revenue that is received from the imposition of a local retailers' sales
10 tax which exceeds the amount of revenue required to pay the costs of a
11 special project for which such revenue was pledged shall be credited to
12 the city or county general fund, as the case requires.

13 The director of taxation shall provide, upon request by a city or county
14 clerk or treasurer or finance officer of any city or county levying a local
15 retailers' sales tax, monthly reports identifying each retailer doing busi-
16 ness in such city or county or making taxable sales sourced to such city
17 or county, setting forth the tax liability and the amount of such tax re-
18 mitted by each retailer during the preceding month and identifying each
19 business location maintained by the retailer and such retailer's sales or
20 use tax registration or account number. Such report shall be made avail-
21 able to the clerk or treasurer or finance officer of such city or county
22 within a reasonable time after it has been requested from the director of
23 taxation. The director of taxation shall be allowed to assess a reasonable
24 fee for the issuance of such report. Information received by any city or
25 county pursuant to this section shall be confidential, and it shall be un-
26 lawful for any officer or employee of such city or county to divulge any
27 such information in any manner. Any violation of this paragraph by a city
28 or county officer or employee is a class A misdemeanor, and such officer
29 or employee shall be dismissed from office. Reports of violations of this
30 paragraph shall be investigated by the attorney general. The district at-
31 torney or county attorney and the attorney general shall have authority
32 to prosecute violations of this paragraph.

33 **[Sec. 3. K.S.A. 2005 Supp. 12-194 is hereby amended to read**
34 **as follows: 12-194. No city or county shall levy or impose an excise**
35 **tax or a tax in the nature of an excise, other than a retailers' sales**
36 **tax and a compensating use tax, upon the sale or transfer of personal**
37 **or real property, or the use thereof, or the rendering of a service; but**
38 **the provisions of this section shall not be construed as prohibiting**
39 **any city from (a) contracting with a utility for a fixed charge based**
40 **upon a percentage of gross receipts derived from the service per-**
41 **mitted by grant, right, privilege or franchise to such utility; (b)**
42 **imposing an occupation tax or license fee for the privilege of en-**
43 **gaging in any business, trade, occupation or profession, or ren-**

1 **dering or furnishing any service, but the determination of any such**
 2 **license fee shall not be based upon any amount the licensee has**
 3 **received from the sale or transfer of personal or real property, or**
 4 **for the rendering or furnishing of a service, or on the income of**
 5 **the licensee; ~~or~~ (c) levying any occupation tax or license fee im-**
 6 **posed by such city prior to the effective date of this act; (d) retaining**
 7 *any development excise tax as levied or imposed by such city in existence*
 8 *on January 1, 2006; or (e) levying an excise tax on tickets for admissions*
 9 *to concerts, theatrical performances, sports contests or other similar per-*
 10 *formances which take place on property owned by a city. No license fee*
 11 **described in subsection (b) of this section shall be imposed upon**
 12 **any utility contracting with and subject to a charge, described in**
 13 **subsection (a) of this section, by such city.]**

14 Sec. ~~3~~. [4.] K.S.A. 12-195b, as amended by section 3 of 2006 House
 15 Bill No. 2698, is hereby amended to read as follows: 12-195b. The gov-
 16 erning body of any city or county by the appropriate ordinance or reso-
 17 lution, may authorize the issuance of general obligation bonds to provide
 18 for the payment of all or any portion of the cost of any public facilities or
 19 improvements for which such city or county is otherwise authorized pur-
 20 suant to the constitution or laws of this state to issue general obligation
 21 bonds. The governing body may pledge revenues received from county-
 22 wide or city retailers' sales taxes imposed pursuant to K.S.A. 12-187 et
 23 seq., and amendments thereto, for the payment of such bonds. The
 24 pledge of revenues received from countywide or city retailers' sales taxes
 25 for payment of such bonds shall constitute an irrevocable pledge of the
 26 revenues and shall be made a lien on the revenues for the benefit of
 27 bondholders. Any bonds issued under this section shall be subject to the
 28 following requirements:

29 (a) Before the governing body of any city or county shall issue any
 30 general obligation bonds as authorized herein, the governing body shall
 31 cause to be prepared a comprehensive feasibility study showing that rev-
 32 enues received from a countywide or city retailers' sales tax would be
 33 sufficient to retire such bonds.

34 (b) Such bonds shall constitute a general obligation of the city or
 35 county payable from the pledged revenue received from countywide or
 36 city retailers' sales taxes and if not so paid such bonds shall be payable
 37 from ad valorem taxes which for the purpose of paying such bonds may
 38 be levied without limit as to rate or amount by the city or county, and
 39 shall be printed as provided in K.S.A. 10-112, and amendments thereto.

40 (c) Any bonds issued under the provisions of this section and the
 41 interest thereon, shall be exempt from all taxes levied by the state of
 42 Kansas or any political or taxing subdivision thereof, except inheritance
 43 taxes.

1 (d) All bonds which are to be financed in accordance with the pro-
2 visions of this section shall be subject to any statutory limitation of bonded
3 indebtedness imposed on a city or county unless:

4 (1) The law authorizing the issuance of such bonds specifically ex-
5 cludes such bonds from any statutory limitation of bonded indebtedness;

6 (2) the bonds are excluded from the computation of bonded indebt-
7 edness pursuant to K.S.A. 10-307 or 10-309, and amendments thereto;
8 or

9 (3) the bonds are issued by ~~a class C city or~~ Douglas county or Sher-
10 man county.

11 (e) In the event the governing body of a city or county proposes to
12 issue such bonds, and the question of issuing bonds as authorized herein
13 has not previously been submitted to and approved by the voters of the
14 city or county such proposition shall be published once each week for two
15 consecutive weeks in its official newspaper. If within 30 days after the
16 last publication of the proposition, a petition is filed with the county elec-
17 tion officer signed by not less than 5% of the electors of the city or county
18 who voted in the last preceding general election of the city or county,
19 then no such bonds shall be issued unless the proposition is submitted to
20 and approved by a majority of the voters of the city or county voting at
21 an election held thereon. Any such elections shall be called and held in
22 accordance with the provisions of K.S.A. 10-120, and amendments
23 thereto, or in accordance with the provisions of the mail ballot election
24 act.

25 Sec. ~~4~~ **[5.]** K.S.A. 12-195b, as amended by section 3 of 2006 House
26 Bill No. 2698, and K.S.A. 2005 Supp. 12-187, as amended by section 1
27 of 2006 House Bill No. 2698, ~~and~~ 12-189, as amended by section 2 of
28 2006 House Bill No. 2698, **[and 12-194]** are hereby repealed.

29 Sec. ~~5~~ **[6.]** This act shall take effect and be in force from and after
30 its publication in the statute book.