

SESSION OF 2002

SUPPLEMENTAL NOTE ON SENATE BILL NO. 424

As Recommended by Senate Committee on
Assessment and Taxation

Brief*

SB 424 would amend KSA 2001 Supp. 75-5154 to add marijuana and controlled substance taxes to the list of other excise taxes that currently may be abated by the Secretary of Revenue or his designee.

Background

Under current law, the Department of Revenue has authority to abate uncollectible liabilities for income, sales, use, cigarette, tobacco products, motor fuel, liquor enforcement, liquor drink, liquor gallonage, and transient guest taxes.

SB 424 was introduced at the request of and supported by the Department. Outstanding drug tax assessments are currently in excess of \$110 million. The Department said during testimony that a "large amount of outstanding uncollectible drug tax assessments could be written off and removed from the Department's accounts receivable balance."

A fiscal note from the Budget Division indicated that the bill is not expected to have a fiscal impact.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.accesskansas.org/legislature/>