

SESSION OF 2006

SUPPLEMENTAL NOTE ON SENATE BILL NO. 535

As Recommended by Senate Committee on
Assessment and Taxation

Brief*

SB 535 would provide a sales tax exemption for cash rebates granted by manufacturers to purchasers or lessees of certain new motor vehicles when such rebates were granted because the vehicles have been or will be adjusted or modified to accommodate handicapped or disabled passengers who cannot walk without assistance. The exemption would apply only when the rebates are paid directly from manufacturers to retailers as a result of the original sales.

Background

Senator Wagle appeared as a proponent.

The bill would be expected to have only a minimal impact on state and local sales tax receipts. The original fiscal note apparently misinterpreted the proposed exemption as being applicable to all manufacturers' rebates provided for new motor vehicles which ultimately are modified to accommodate handicapped or disabled passengers (as opposed to only those rebates granted because the vehicles have been or will be modified).

*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.kslegislature.org>