

Local County Sales Tax Authorizations; New Sales Tax Exemption for Coins and Bullion; HB 2140

HB 2140 makes multiple changes in local sales tax authorization statutes and creates a sales tax exemption for certain coins and bullion.

County Sales Tax Provisions

Relative to multiple changes in local sales tax authorization statutes, the bill increases the maximum local sales tax rate that could be imposed by Thomas County from 1.50 percent to 1.75 percent, provided all taxes levied in excess of 1.00 percent remain earmarked for financing a courthouse, jail, law enforcement center, or other county administrative facility. Any specially earmarked tax imposed by the bill sunsets when the project costs have been fully paid. An election is required for an increase in the current Thomas County sales tax, which is 1.50 percent.

The bill also extends from five years to ten years the sunset on any 0.5 percent tax imposed by Russell County for economic development initiatives or public infrastructure projects.

The bill renews sales tax authority for Jackson County to impose, subject to voter approval, a countywide sales tax of 0.4 percent to finance public infrastructure projects. Under continuing law, any such tax that is imposed will sunset after seven years.

The bill allows Dickinson County to impose, subject to voter approval, a countywide sales tax of 0.5 percent to finance roadway construction and improvement. This authorization requires any such tax imposed to sunset after ten years, instead of after five years as in prior law.

The bill extends the authority of Wabaunsee County to impose a 0.5 percent retail sales tax for an additional period not to exceed 15 years, subject to voter approval.

Additionally, the bill retroactively ratifies the results of a 2017 election in Finney County that increased that county's tax by 0.3 percent. The tax imposed by the election would be for purposes of an interlocal agreement between the county and Garden City regarding certain infrastructure upgrades and will sunset after 15 years.

The bill requires the Director of Taxation (Director) to confirm all provisions of law applicable to the authorization of local sales taxes have been followed prior to causing collections to commence. Should the Director discover a city or county did not comply with the authorization law after collections have commenced, collections must cease until the error has been remedied.

Additional Sales Tax Exemption

The bill provides a sales tax exemption for all sales of gold or silver coins and gold, silver, platinum, or palladium bullion.