

## 2023 Kansas Statutes

**79-3408. Tax imposed on use, sale or delivery of motor-vehicle fuels or special fuels; importation of motor-vehicle fuels or special fuels; incidence of tax imposed on distributor; allowance for certain losses; exempt transactions; reports required.** (a) A tax per gallon or fraction thereof, at the rate computed as prescribed in K.S.A. 79-34,141, and amendments thereto, is hereby imposed on the use, sale or delivery of all motor-vehicle fuels or special fuels which are used, sold or delivered in this state for any purpose whatsoever.

(b) Unless otherwise specified in K.S.A. 79-3408c, and amendments thereto, the incidence of this tax is imposed on the distributor of the first receipt of the motor fuel and such taxes shall be paid but once. Such tax shall be computed on all motor-vehicle fuels or special fuels received by each distributor, manufacturer or importer in this state or imported by any distributor, manufacturer or importer into this state and paid in the manner provided for herein, except that an allowance of 2.5% shall be made and deducted by the distributor to cover all ordinary losses which may have resulted from physical loss while handling such motor-vehicle fuels or special fuels. No such allowance shall be made on any motor-vehicle fuel or special fuel exported from the state or sold to the United States of America or any of its agencies or instrumentalities as are now or hereinafter exempt by law from liability to state taxation. No such allowance shall be made for any motor-vehicle fuel or special fuel sold or disposed of to a consumer in tank car, transport or pipeline lots. As used in this subsection, the term "distributor of the first receipt" shall include distributors, manufacturers and importers that import motor-vehicle fuels or special fuels into Kansas.

(c) No tax is hereby imposed upon or with respect to the following transactions:

(1) The sale or delivery of motor-vehicle fuel or special fuel for export from the state of Kansas to any other state or territory or to any foreign country.

(2) The sale or delivery of motor-vehicle fuel or special fuel to the United States of America and such of its agencies as are now or hereafter exempt by law from liability to state taxation.

(3) The sale or delivery of motor-vehicle fuel or special fuel to a contractor for use in performing work for the United States or those agencies of the United States above mentioned, provided such contractor has in effect with the United States or any such agency a cost-plus-a-fixed-fee contract covering the work.

(4) The sale or delivery of motor-vehicle fuel or special fuel which is aviation fuel.

(5) The first sale or delivery of motor-vehicle fuel or special fuel from a refinery, pipeline terminal, pipeline tank farm or other place to a duly licensed distributor who in turn resells to another duly licensed distributor.

(6) The sale or delivery of special fuel which is indelibly dyed in accordance with regulations prescribed pursuant to 26 U.S.C. § 4082 and such special fuel is only used for nonhighway purposes.

(7) The sale of kerosene used as a fuel only to power antique steam motor vehicles first manufactured prior to 1940.

(d) Each distributor, manufacturer, importer, exporter or retailer shall make full reports and furnish such further information as the director may require with reference to all transactions upon which no tax is to be paid.

History: L. 1933, ch. 317, § 8; L. 1939, ch. 330, § 6; L. 1941, ch. 379, § 1; L. 1949, ch. 484, § 1; L. 1951, ch. 495, § 1; L. 1953, ch. 441, § 1; L. 1955, ch. 419, § 1; L. 1969, ch. 462, § 1; L. 1970, ch. 397, § 5; L. 1970, ch. 398, § 2; L. 1976, ch. 426, § 1; L. 1979, ch. 323, § 1; L. 1979, ch. 324, § 1; L. 1982, ch. 413, § 2; L. 1983, ch. 320, § 1; L. 1984, ch. 359, § 2; L. 1985, ch. 328, § 1; L. 1986, ch. 382, § 1; L. 1987, ch. 388, § 6; L. 1989, ch. 209, § 31; L. 1990, ch. 353, § 1; L. 1992, ch. 106, § 10; L. 1994, ch. 226, § 1; L. 1995, ch. 262, § 30; L. 1998, ch. 96, § 2; L. 2004, ch. 173, § 14; L. 2005, ch. 46, § 1; L. 2006, ch. 81, § 3; April 13.