

**79-4227. Mineral severance tax; disposition of revenue; mineral production tax refund fund; special county mineral production tax fund; mineral production education fund; distribution of revenue to counties and school districts, procedure.** (a) All revenue collected or received by the director from the tax imposed by this act shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury. The state treasurer shall first credit such amount as the director shall order to the mineral production tax refund fund created under subsection (b) of this section. Second, the state treasurer shall credit 7% of the remainder of such amounts to the special county mineral production tax fund created in subsection (c). Finally, the state treasurer shall credit the remainder of such amounts collected or received from the tax imposed by this act during fiscal years 2013, 2014 and 2015 for oil and gas for any county which had \$100,000 or more in receipts of the excise tax upon the severance and production of oil and gas as follows: (1) 12.41% to the oil and gas valuation depletion trust fund; and (2) the remainder shall be credited to the state general fund. The state treasurer shall credit the remainder of such amounts collected or received from the tax imposed by this act during fiscal year 2016, and thereafter, and distributed during fiscal year 2017, and thereafter, for oil and gas for any county which had \$100,000 or more in receipts of the excise tax upon the severance and production of oil and gas as follows: (1) 20% to the mineral production education fund created in K.S.A. 2014 Supp. 72-6462, and amendments thereto; and (2) the remainder shall be credited to the state general fund.

(b) A refund fund designated as "mineral production tax refund fund" not to exceed \$50,000 is hereby created for the prompt payment of all tax refunds. The mineral production tax refund fund shall be in such amount, within the limit set by this section, as the director shall determine is necessary to meet current refunding requirements under this act.

(c) There is hereby created a special county mineral production tax fund. On December 1, 1983, and quarterly thereafter, the director of taxation shall distribute all moneys credited to such fund to the county treasurers of all counties in which taxes were levied under K.S.A. 79-4217, and amendments thereto, for the severing and producing of coal, oil or gas from property within the county, in the proportion that the taxes levied upon production in each county bears to the total of all of such taxes levied in all of such counties. Such distribution shall be based on returns filed, with any adjustments or corrections thereto made by the director of taxation.

(d) The secretary of revenue shall make provision for the determination of the counties within which taxes are levied under K.S.A. 79-4217, and amendments thereto, for the severance of coal, oil or gas and shall certify the same to the director of accounts and reports.

(e) The director of accounts and reports shall draw warrants on the state treasurer payable to the county treasurer of each county entitled to payment from the special county mineral production tax fund upon vouchers approved by the director of taxation. Upon receipt of such warrant, each county treasurer shall credit 50% of the amount thereof to the county general fund and shall distribute the remaining 50% thereof to the treasurer of each school district all or any portion of which is located within the county in the proportion that the assessed value of coal, oil and gas properties within each district bears to the total of the assessed value of all coal, oil and gas properties within the county. Such assessed valuation shall be determined upon the basis of the most recent November 1 tax roll. The treasurer of each school district shall credit the entire amount of the moneys so received to the general fund of the school district.

**History:** L. 1983, ch. 313, § 12; L. 1987, ch. 393, § 10; L. 2001, ch. 5, § 464; L. 2005, ch. 173, § 2; L. 2012, ch. 175, § 167; L. 2013, ch. 136, § 279; L. 2014, ch. 127, § 8; May 22.