

2021 Kansas Statutes

12-198. Imposition of city and county and Washburn university compensating use tax upon tangible personal property, vehicles and vessels; rate; continued exemption for provision of certain tangible personal property exempt from taxation prior to July 1, 2003; administration and collection by state; disposition and apportionment of moneys received. (a) A compensating use tax for the privilege of using or storing within a city or county any tangible personal property or any vehicle which is required to be registered under the provisions of article 1 of chapter 8 of the Kansas Statutes Annotated, and amendments thereto, or any vessel, as defined by K.S.A. 82a-802, and amendments thereto, is hereby imposed by every city, county or municipal university imposing a retailers' sales tax. The rate of any such tax shall be fixed at the same rate as such city's, county's or university's retailers' sales tax. Any city, county or municipal university imposing a compensating use tax is prohibited from administering or collecting such tax locally, but shall utilize the services of the state department of revenue to administer, enforce and collect such tax. Such tax shall be identical in its application and exemptions therefrom to the Kansas compensating tax, and all laws and rules and regulations of the state department of revenue relating to the Kansas compensating tax shall apply to such local compensating use tax insofar as the same may be made applicable. If any contractor has entered into a written, binding contract prior to July 1, 2003, for the construction, reconstruction, restoration, replacement, repair, equipment or improvement of a bridge or highway, street, road, alley, sewer, sewage system, water line, water system or other related improvement, and such contract includes the furnishing to or by the contractor of tangible personal property which is to become part of the completed improvement subject to the tax imposed by this section, and which would have been exempt from taxation pursuant to this section prior to its enactment effective on July 1, 2003, such furnishing of tangible personal property shall continue to be exempt from taxation pursuant to this section, if the contractor gives notice and proof of such contract to the director of taxation on or before July 10, 2004. Such notice and proof shall be in such form and of such sufficiency as the director prescribes.

(b) The secretary of revenue is authorized to administer, enforce and collect a city's, county's or municipal university's compensating use tax and to adopt such rules and regulations necessary for the efficient and effective administration, enforcement and collection thereof. The state director of taxation shall cause such taxes to be collected within the boundaries of such taxing subdivision at the same time and in the same manner provided for the collection of the state compensating use tax. All moneys collected by the director of taxation pursuant to the provisions of this section shall be credited to the city and county compensating use tax fund or to the municipal university compensating use tax fund, which funds are hereby established in the state treasury. Any refund due on any city's, county's [or] municipal university's compensating use tax collected pursuant to this section shall be paid out of the sales tax refund fund and reimbursement to such fund shall be made by the director of taxation from collections of local compensating use tax revenue. All moneys collected pursuant to this section for a city or county shall be remitted at least quarterly by the state treasurer to the treasurer of such city, county or university.

(c) All revenue received by any county treasurer from a countywide compensating use tax shall be apportioned among the county and each city located in such county in the same manner as provided in K.S.A. 12-192, and amendments thereto, for the apportionment of revenue received from a countywide retailers' sales tax.

History: L. 1982, ch. 66, § 1; L. 1987, ch. 65, § 2; L. 1999, ch. 88, § 8; L. 2003, ch. 147, § 3; L. 2004, ch. 173, § 4; May 27.