

## 2021 Kansas Statutes

55-1631. **Assessments; amount, collection and payment; assessments voluntary and refundable to interest owner.** (a) To fund the activities of the Kansas oil and gas resources board, and in the discretion of the board, a voluntary assessment not to exceed 0.05% of the gross revenues from oil or natural gas produced from each well in the state of Kansas shall be deducted from proceeds paid by the first purchaser to each interest owner. The Kansas oil and gas resources board, however, may permit or require an entity other than the first purchaser to deduct such proceeds where that entity is the operator or the entity distributes revenues to interest owners, directly or indirectly. Any interest owner may seek a refund, as provided in this act. This assessment is a voluntary checkoff and shall be treated in all respects accordingly. The assessment shall not in any manner be deemed to be a tax or governmental assessment of any kind, and the state of Kansas shall have no duty or responsibility with respect to any such assessment.

(b) The assessment imposed pursuant to subsection (a) shall be deducted from the proceeds of production and collected by the first purchaser. There shall be a conspicuous line item on each statement showing the amount and pertinent time period of the assessment. The statement shall provide the Kansas oil and gas resources board contact information for obtaining more information or directions for obtaining a refund of the assessment. The assessments, which are imposed on the interest owner, shall be remitted to the Kansas oil and gas resources board by the first purchaser not later than the 60th day following the end of the month in which the assessment was collected. The moneys collected pursuant to K.S.A. 2021 Supp. 55-1630, and amendments thereto, shall be deposited with a bank or savings and loan association and shall be used only in defraying costs of administration of the petroleum education and marketing program and for carrying out the provisions of K.S.A. 2021 Supp. 55-1627, 55-1628, 55-1633 and 55-1634, and amendments thereto.

(c) The board shall be responsible for taking any appropriate legal action necessary to collect any assessment which is not paid or is not properly paid by the first purchaser.

**History:** L. 2006, ch. 94, § 7; L. 2007, ch. 119, § 3; July 1.