



K A N S A S

JOAN WAGNON, SECRETARY

DEPARTMENT OF REVENUE
DIVISION OF TAXATION

KATHLEEN SEBELIUS, GOVERNOR

NOTICE 06-04

2006 Motor Fuel Legislative Update

The following Bills were enacted by the 2006 Legislature:

- **Senate Bill 388** establishes the Kansas Qualified Biodiesel Fuel Producer Incentive Fund, which allows for the payment of producer incentives for the production of biodiesel. The incentive is for the production of biodiesel fuel in the amount of \$.30 for each gallon of biodiesel fuel **sold** by the producer. The Kansas qualified biodiesel fuel producer shall file for the production incentive beginning July 1, 2007, and quarterly thereafter.

Additional information will be provided at a later date.

- **Senate Bill 544** amends K.S.A. 79-3401 by including a definition for "E85 fuels". K.S.A. 79-34,141 is amended and reduces the Motor Fuel tax rate on E85 fuels to \$.17 per gallon. K.S.A. 79-3464c is amended to require distributors receiving or importing 50,000 gallons of motor fuel or more in a calendar month to file by electronic or magnetic media. This bill is effective January 1, 2007.

Enclosed is a copy of the revised MF-52 Distributors Tax Return and new Schedule MF-52C for Distributors, or the revised MF-90 Retailers' Informational Return and revised Schedule MF-90B, as appropriate.

EDI (Electronic Data Interchange) software mapping changes will be provided soon. The EDI Guide will also be updated at that time and can be obtained from our website at www.ksrevenue.org.

Customers receiving or importing 50,000 gallons of motor fuel or more per month will be provided the EDI requirements at a later date.

- **House Bill 2756** amends K.S.A. 65-34,117 and creates the Kansas Essential Fuels Supply Trust Fund. This bill provides for reimbursement to eligible owners of aboveground storage tanks or bulk plants for upgrade or permanent closure expenses for aboveground storage tanks or bulk plants if used for storage of petroleum products for resale. Reimbursement is subject to availability of moneys in the Kansas essential fuels supply trust fund and shall be administered by the Kansas Department of Health and Environment. This bill is effective July 1, 2006.

For a detailed, full text copy of each bill, please visit the Kansas Legislature's website at www.kslegislature.org.

TAXPAYER ASSISTANCE

To obtain additional copies of this or any other notice call the Kansas Department of Revenue's voice mail forms request line at 785-296-4937 or download them from our web site: www.ksrevenue.org. If you have any questions about this notice, please contact our Motor Fuel Tax Unit.

Motor Fuel Tax Correspondence

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