**Memorandum**

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| **Identifying Information:** | **New Legislation Requiring License Suspension or Revocation for Violation of the Tax Statutes** |

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| **Tax Type:** | **Vehicles** |
| **Brief Description:** | **New Legislation Requiring License Suspension or Revocation for Violation of the Tax Statutes** |
| **Keywords:** |  |
| **Approval Date:** | **06/16/2004** |

**Body:**

**DEPARTMENT OF REVENUE**
**DIVISION OF VEHICLES**

**Memorandum**

**DATE: June 16, 2004**

**TO: All Licensed Motor Vehicle Dealers**

**FROM: Mathew H. Moser, Manager, Dealer Licensing Bureau**

**SUBJECT: *NEW* Legislation Requiring License Suspension or Revocation *for Violation* of the Tax Statutes**

HB 2375 was passed by the 2004 Kansas Legislature and signed into Law by Governor Sebelius.

**This law will become effective July 1, 2004*.***

The new law will have a significant impact on any motor vehicle dealer not in compliance with certain tax laws. HB 2375 amends section 8-2411(b) of the Dealer Licensing and Manufacturer’s Act providing for mandatory suspension or revocation of a dealer’s license if they are found to have violated the sales or withholding tax statutes.

The new statute reads… (please read carefully)

**“…*in addition to any civil penalty imposed pursuant to this subsection, the director shall suspend or revoke the license of any person who is found to have violated the provisions of K.S.A 79-3601 et seq., and amendments thereto, by the failure to file returns and remit sales tax as required pursuant to K.S.A. 79-3607, and amendments thereto, or the provisions K.S.A 8-3294 et seq., and amendments thereto, by the failure to file returns and remit withholding tax as required pursuant to K.S.A. 79-3298, and amendments thereto, for three consecutive months.”***

Even if you owe no tax, you **must** file a return. The Dealer Licensing Bureau and the Division of Taxation Compliance and Enforcement will be working in concert to identify violations and initiate appropriate action. This memorandum is being provided to all licensed dealers as an advance courtesy notice - advising of the severity of penalties for tax violations and the priority placed on tax compliance by the Department of Revenue.

If you have any questions regarding this new legislation, please feel free to contact me at (785) 296-2242.

Cc: Joan Wagnon, Secretary of Revenue
Carmen Alldritt, Director of Kansas Division of Vehicles 04-045

**Date Composed: 06/28/2004 Date Modified: 06/28/2004**