

KANSAS DEPARTMENT OF REVENUE

ESCROW AGREEMENT FOR GUARANTEE OF KANSAS MOTOR FUEL TAX LIABILITY

This agreement entered into this _____ day of _____, 20_____, between _____ hereinafter referred to as the "Escrow Agent" and _____, (underline one – Individual Proprietorship, Partnership, or Corporation) hereinafter referred to as the "Depositor", is entered into to comply with the requirements of K.S.A. _____.

The Depositor agrees to purchase and deliver to the Escrow Agent a certificate of deposit issued by a bank, savings and loan association, or credit union in the amount of \$_____, which amount the Depositor warrants is the amount established by the Kansas Department of Revenue as the required bond. The Depositor may not assign, pledge as security for any loan, or otherwise encumber the certificate during the period of this agreement.

For the privilege of purchasing motor vehicle fuels for resale and/or obtaining an interstate motor fuel users license in the State of Kansas, Depositor hereby grants the Kansas Department of Revenue a security interest in the following described property: certificate of deposit number _____, in the amount of \$_____, to be held in trust by the Escrow Agent for the Kansas Department of Revenue to secure the payment of motor fuels tax pursuant to Kansas law.

The Escrow Agent hereby acknowledges receipt of notification of the Kansas Department of Revenue's security interest in the above described property.

The Escrow Agent hereby acknowledges receipt of the aforesaid certificate of deposit and will not return said certificate to the Depositor nor allow said certificate to be assigned, pledged, or otherwise encumbered during the period of this agreement except as provided below. The Escrow Agent shall remit interest on the certificate annually to the Depositor.

In the event Depositor defaults in payment of Kansas motor fuel tax obligation, the Escrow Agent, upon written demand from the Kansas Department of Revenue, shall remit the proceeds of the certificate of deposit and any interest accrued to date of notification to the Kansas Department of Revenue or its authorized agent. Upon such remittance to the Kansas Department of Revenue, this agreement shall be deemed terminated.

When the Director of Taxation of the State of Kansas determines that a bond is no longer required for the Depositor, notification in writing shall be made to the Escrow Agent who will then be authorized to release the certificate of deposit to the Depositor and thus terminate this agreement.

Nothing in this agreement shall be so construed to increase the liability of the Escrow Agent beyond the amount and provisions of this agreement.

Dated at _____ this _____ day of _____, 20_____.

Escrow Agent

Depositor

Signature of Escrow Agent

Signature of Depositor (owner, partner, or corporate officer)

Address

Address

State of _____)

) ss

Motor Fuel License No.

County of _____)

Subscribed and sworn to before me this _____ day of _____, 20_____

My commission expires _____.

Notary Public

Mail to: **Kansas Department of Revenue, Motor Fuel Tax, PO Box 758573, Topeka, KS 66675-8573.** If you have questions regarding this form you can call 785-368-8222.