NOTICE 10-04
2010 Motor Fuel Legislative Update

The following Bills were enacted by the 2010 Legislature:

Senate Bill 430
Is effective upon publication in the Kansas Register, creates a $10.00 service fee for entering into an installment payment plan for a period of time in excess of 90 days. The $10.00 administrative pay plan fee will be paid at the time the pay plan ‘Statement of Agreement’ is signed and returned to the Kansas Department of Revenue.
The bill also mandates electronic filing of Retailer’ Sales, Compensating Use and Withholding Tax returns.

Senate Bill 572
On the effective date of this act, the director of accounts and reports shall transfer $195,395 from the Kansas qualified biodiesel fuel producer incentive fund of the state department of revenue to the state general fund. During the fiscal year ending June 30, 2011, on July 1, 2010, Oct 1, 2010, January 1, 2011, and April 1, 2011, $50,000 will be transferred from the state economic development initiatives fund to the Kansas qualified biodiesel fuel producer incentive fund. If sufficient funds are not available in the state economic development initiatives fund for any of the transfers during the 2011 fiscal year, then the amount available will be transferred. No moneys shall be transferred from the state general fund to the Kansas biodiesel fuel producer fund during the fiscal year ending June 30, 2011.
No moneys shall be transferred from the state general fund to the Kansas retail dealer incentive fund during the fiscal years ending June 30, 2010, or June 30, 2011, or June 30, 2012.

House Bill 2360
Effective July 1, 2010 the state sales tax rate increases to 6.3%. Effective July 1, 2013 the state sales tax rate decreases to 5.7%.

House Bill 2650
The bill creates the Transportation Works for Kansas program, which provides for construction, improvement, reconstruction and maintenance of the state highway system. The expiration date of July 1, 2020 for the current motor fuel tax rates has been removed from K.S.A. 79-3492b and K.S.A. 79-34,141. Current motor fuel tax rates will continue to be in effect.

This notice highlights only portions of the bills. 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.

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June 21, 2010