AN ACT concerning income taxation; relating to individual tax returns; removing the line for reporting compensating use tax; amending K.S.A. 79-3221o and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 79-3221o is hereby amended to read as follows: 79-3221o.
(a) In order to raise awareness of liabilities of use taxes levied in article 37 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, for purchases of tangible personal property made outside this state to be consumed within this state, and to increase compliance with such provisions of law as a result of the department of revenue's notice 19-04 requiring remote sellers doing business in Kansas to collect and remit applicable sales or use taxes, the director of taxation is hereby directed not to include a line for the remittance of sales tax on out-of-state and internet purchases where the tax was not paid on individual tax returns for tax years beginning on or after January 1, 2016 2020.
(b) The director shall include the following information in the income tax form instructions:
(1) An explanation of an individual's obligation to pay use tax on items purchased from mail order, internet or other sellers that do not collect state and local sales and use taxes on the items; and
(2) a method to help an individual determine the amount of use tax the individual owes. The method may include a table that gives the average amounts of use tax payable by taxpayers in various income ranges:
(e) No penalties or interest shall be applied with respect to any taxes remitted pursuant to the provisions of this section.

Sec. 2. K.S.A. 79-3221o is hereby repealed.
Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.