SENATE BILL No. 462

By Committee on Assessment and Taxation

2-20

AN ACT concerning sales and compensating use tax; relating to tax information; the Kansas business financial protection act; prohibiting disclosure thereof to taxing officials of other states; amending K.S.A. 2019 Supp. 74-2424 and repealing the existing section.

WHEREAS, The amendment contained in subsection (c) of K.S.A. 2019 Supp. 74-2424 in this act shall be named the Kansas business financial protection act.

Now, therefore:

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

Section 1. K.S.A. 2019 Supp. 74-2424 is hereby amended to read as follows: 74-2424. (a) Except as otherwise provided in subsection (c), the secretary of revenue may make available or furnish to the taxing officials of any other state or the commissioner of internal revenue of the United States or other taxing officials of the federal government, or their authorized representatives, or the director of property valuation, information contained in tax reports, renditions or returns or any audit thereof or the report of any investigation made with respect thereto, filed pursuant to the tax laws. Such information shall not be used for any other purpose than that of the administration of the tax laws of this or another state or of the United States, except that the post auditor shall have access to all such information in accordance with and subject to the provisions of K.S.A. 46-1106(e), and amendments thereto.

(b) Notwithstanding the provisions of this section, the secretary of revenue may:

(1) Communicate to the executive director of the Kansas lottery information as to whether a person, partnership or corporation is current in the filing of all applicable tax returns and in the payment of all taxes, interest and penalties to the state of Kansas, excluding items under formal appeal, for the purpose of determining whether such person, partnership or corporation is eligible to be selected as a lottery retailer; and

(2) communicate to the executive director of the Kansas racing commission information as to whether a person, partnership or corporation has failed to meet any tax obligation to the state of Kansas for the purpose of determining whether such person, partnership or corporation is eligible for a facility owner license or facility manager license pursuant to the
Kansas parimutuel racing act.

(c) Notwithstanding the provisions of subsection (a) or K.S.A. 75-5133, and amendments thereto, the secretary of revenue shall not make available or furnish to the taxing officials of any other state, or their authorized representatives, information contained in tax reports, renditions or returns, or any audit thereof or the report of any investigation made with respect thereto, filed pursuant to or concerning the Kansas retailers' sales tax act or the Kansas compensating tax act.

Sec. 2. K.S.A. 2019 Supp. 74-2424 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.