

# Kansas Department of Revenue

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**Testimony  
Kansas Department of Revenue  
Secretary Nick Jordan  
January 19, 2011**

Kansas Department of Revenue collects taxes and fees, administers Kansas tax laws, issues a variety of licenses and provides assistance to Kansas citizens and units of government.

The Kansas Department of Revenue is committed to hard work every day for the people of Kansas; to treat our taxpayers, our employees, and each other with respect; to conduct business with integrity, fairness and civility; and to be held accountable for our efforts.

## **Secretariat- Administrative Services**

The Chief Administrative Officer and Appointing Authority of the Department of Revenue is the Secretary of Revenue, who is appointed by and serves at the pleasure of the Governor. The Secretary is responsible for the management of the Department's four divisions: Tax Operations, Alcoholic Beverage Control, Property Valuation and Vehicles. There are five Secretariat Service Bureaus: Office of the Secretary, Resource Management, Legal, Policy & Research, Audit Services and Information Services. The Secretariat assists the Governor's and Legislature's staffs with policy development and economic forecasting. The Secretary provides revenue analysis through the development of simulation models; historical data analysis; analysis of economic trends, and the effect of legislative action. The Secretary of Revenue serves as the contact point for the department in its numerous interactions with local and county governments and their various entities.

## **Alcoholic Beverage Control**

The Director of Alcoholic Beverage Control (ABC) has the responsibility of administering laws governing the manufacture, distribution, sale and consumption of alcoholic beverages in Kansas. The ABC director, staff and agents ensure that out-of-state suppliers, in-state distributors, and retail-level Kansas licensees comply with the state liquor laws. Additional Duties include enforcing laws against selling cigarettes to underage persons and collecting the tax on illegal drugs.

The division works to improve voluntary compliance of tax laws as well as the laws regulating liquor, and cigarettes and tobacco products by providing education and training to industry members and local law enforcement agencies.

## **Tax Operations**

The Kansas Taxation Division is responsible for administration and compliance of a variety of Kansas taxes. The taxes are categorized by either personal or business.

The administration of personal taxes includes filing and payment of taxes, verification of the accuracy of tax filings, refund information, and providing customer services on the various tax types.

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The Director of Taxation oversees the operations of three subprograms: Channel Management, Customer Relations, & Compliance Enforcement. The Director's office works very closely with these four areas.

- Channel Management converts paper based data into electronic formats in order for associates to retrieve, query and display document images.
- Customer Relations is responsible for reviewing and adjusting tax returns to ensure accuracy, completeness and compliance with Kansas statutes and regulations. This area also provides answers to questions from Kansas taxpayers either by telephone, written correspondence, or to walk-in customers who visit the Taxpayer Assistance Center regarding adjustments, Kansas tax laws and completing returns.
- Compliance Enforcement is also responsible for identifying taxpayers that fail to report taxes, under-report taxes or underpay taxes. The mission of Compliance Enforcement is to ensure the equitable payment of taxes due by developing and applying methods and tools to monitor, assist, encourage and persuade customers to comply with the tax laws of the State of Kansas.
- Electronic Services goal is to reduce or eliminate all paper-based data by capturing data electronically at the source. Electronic Services defines, implements and supports a portfolio of electronic channels for moving information to and collecting information and payments from KDOR customers. This includes web-based software and interactive voice response systems and applications used for the purpose of filing tax returns and reports and for remitting the related payments and fees.

### Property Valuation

The Kansas Property Valuation Division exercises general supervision over ad-valorem policies and procedures, conducts the valuation of state appraised properties and provides concise and timely property tax information. Property is assessed by county appraisers and collected at the county level. The Administration Bureau provides: (1) direction and policy guidelines for the division and all the Kansas counties; (2) specialized legal services to the division, counties and the public; (3) an annual education program for counties and the public; (4) administrative services for the entire division such as budgeting, purchasing, and legislative analysis.

- The State Assessed Bureau primarily performs two functions: (1) it appraises a variety of public utilities and certifies the appropriate valuations to the counties; and (2) it values, assesses and collect motor carriers property tax.
- The Technical Support Bureau is devoted to providing specialized technical support services to the counties in an effort to assure quality customer service and more accurate, uniform property taxation. The Director to promulgates guidelines for the counties to follow, to assure statutory statewide uniformity in valuations. This bureau's role includes generating and maintaining the commercial sales data base; providing support for CAMA (the computer-assisted mass appraisal program); generating agricultural use valuations; issuing an oil and gas guide and

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a personal property guide, and determining valuations/class codes for passenger motor vehicles that are taxed.

- The County Assistance Bureau is devoted to providing county assistance in an effort to assure quality customer service and more accurate, uniform property taxation. This bureau prepares and issues the annual sales ratio report and the annual substantial compliance report required by law.

## Motor Vehicles

The Division of Motor Vehicles is committed to serving the public with information and direction, for titling and registration of their personal and commercial vehicles, licensing new/used automobile dealers, licensing drivers, enforcing restrictive driving privileges. The Driver Privacy Protection Act, which protects Kansas citizens' personal information is adhered to in all operations.

- The Titles and Registration function in the Division of Vehicles issues license plates, certificates of title, registration renewals, and collects for all 2.6 million private and commercial motor vehicles. Numerous e-government enhancements will provide the citizens of Kansas with a wider variety of options to meet their customer service needs. Titles and Registrations partners with all 105 County Treasurers to provide motor vehicle services to the citizens of Kansas. The Bureau provides ongoing training and support for county treasurers' motor vehicle staff, and new, used and salvage vehicle dealers. The Titles and Registration Bureau is responsible for providing tags, tag envelopes, decals and forms to County Treasurers. Staff is responsible for maintaining over 50 years of motor vehicle documentation and respond to all requests for vehicle information. Additionally, the state's 9,000 new and used vehicle dealers and salespersons are licensed, renewed and monitored by the Dealer Licensing Bureau Staff and Field Investigators. Investigations are conducted to ensure compliance with statutory requirements and resolve complaints.
- The Motor Carrier Services Bureau issues registrations and cab cards for approximately 2,200 Kansas based carriers as well as registering nearly 20,000 trailers annually.
- The Driver's License Examining Bureau and Driver Control Bureau support the state-wide effort to have safe drivers on Kansas roadways through testing, issuing and renewing drivers' licenses, and maintaining driving records for use by law enforcement officials, courts, and others. The Driver's License Examining Bureau conducts driver's license examinations and issues identification documents. The Driver Control Bureau maintains driving records, processes changes to driving privileges such as restrictions, suspensions, revocations and reinstatements on drivers' licenses, and coordinates administrative hearings.

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