

Procedure for Distribution of Oil and Gas Valuation Depletion Trust Fund Moneys; HB 2624

HB 2624 changes the process for holding money in trust for individual counties in the Oil and Gas Valuation Depletion Trust Fund. Under existing law, money credited to those trust accounts was held in the State Treasury until a county met the statutory criteria for a distribution from its trust account.

Under the bill, each county that is to receive moneys from the Oil and Gas Valuation Depletion Trust Fund is required to establish a county oil and gas valuation depletion trust fund within the county treasury, to be administered by the county treasurer. On October 1 of each year, the Director of Taxation, Kansas Department of Revenue, will certify the amount in each county's trust account within the State Treasury, and the State Treasurer will issue a warrant to the county for deposit by the county treasurer in the county's oil and gas valuation depletion trust fund. The statutory criteria for a county to receive a distribution from the trust fund will not change.

The Director of Taxation is directed to impose and collect an administrative fee equal to 2.0 percent of the amount credited to the Oil and Gas Valuation Depletion Trust Fund, prior to crediting any amounts to the individual trust accounts in the Fund.

All moneys in the Oil and Gas Valuation Depletion Trust Fund trust accounts on the effective date of the act will be distributed to the applicable counties within 30 days of the effective date, for deposit in each county's oil and gas valuation depletion trust fund.

The bill takes effect upon publication in the *Kansas Register*.