

**79-3668. Same; taxing jurisdiction and rate database, requirements.** (a) The secretary shall provide and maintain a database that describes boundary changes for all taxing jurisdictions. This database shall include a description of the change and the effective date of the change for sales and use tax purposes.

(b) The secretary shall provide and maintain a database of all sales and use tax rates for all taxing jurisdictions. For the identification of counties and cities, codes corresponding to the rates must be provided according to federal information processing standards (FIPS) as developed by the national institute of standards and technology. For the identification of all other jurisdictions, codes corresponding to the rates must be in the format determined by the secretary.

(c) The secretary must provide and maintain a database that assigns each five- and nine-digit zip code to the proper rates and taxing jurisdictions. The lowest combined tax rate imposed in the zip code area shall apply if the area includes more than one tax rate in any level of taxing jurisdiction. If a nine-digit zip code designation is not available for a street address, or if a seller or a CSP is unable to determine the nine-digit zip code designation applicable to a purchase after exercising due diligence to determine the designation, the seller or CSP may apply the rate for the five-digit zip code area. For purposes of this section, there is a rebuttable presumption that a seller or CSP has exercised due diligence if the seller has attempted to determine the nine-digit zip code designation by utilizing software approved by the secretary that makes this designation from the street address and the five-digit zip code applicable to a purchase.

(d) The secretary may provide address-based boundary database records for assigning taxing jurisdictions and associated rates which shall be in addition to the requirements of subsection (c). The database records shall be in the same approved format as the database records pursuant to subsection (c) and shall meet the requirements developed pursuant to the federal mobile telecommunications sourcing act (4 U.S.C. § 119(a)). If the secretary develops address-based assignment database records pursuant to the agreement, sellers that register under the agreement are required to use such database. A seller or CSP shall use such database records in place of the five- and nine-digit zip code database records provided for in subsection (c). If a seller or CSP is unable to determine the applicable rate and jurisdiction using an address-based database record after exercising due diligence, the seller or CSP may apply the nine-digit zip code designation applicable to a purchase. If a nine-digit zip code designation is not available for a street address or if a seller or CSP is unable to determine the nine-digit zip code designation applicable to a purchase after exercising due diligence to determine the designation, the seller or CSP may apply the rate for the five-digit zip code area. For the purposes of this section, there is a rebuttable presumption that a seller or CSP has exercised due diligence if the seller or CSP has attempted to determine the tax rate and jurisdiction by utilizing software approved by the secretary that makes this assignment from the address and zip code information applicable to the purchase. If the secretary has met the requirements of subsection (c), the secretary may also elect to certify vendor provided address-based databases for assigning tax rates and jurisdictions. The databases must be in the same approved format as the database records pursuant to this subsection and must meet the requirements development pursuant to the federal mobile telecommunications sourcing act (4 U.S.C.A. Sec. 119(a)). If the secretary certifies a vendor address-based database, a seller or CSP may use that database in place of the database provided for in this subsection.

(e) The electronic databases provided for in subsections (a), (b), (c) and (d) shall be in downloadable format as determined by the secretary. The databases may be directly provided by the secretary or provided by a vendor as designated by the secretary. A database provided by a vendor as designated by the secretary shall be applicable to and subject to all provisions of K.S.A. 2014 Supp. 79-3667, and amendments thereto, and this section. These databases shall be provided at no cost to the user of the database. The provisions of subsections (c) and (d) do not apply when the purchased product is received by the purchaser at the business location of the seller.

**History:** L. 2003, ch. 147, § 14; L. 2007, ch. 155, § 11; July 1.