

## HOUSE BILL No. 2496

By Committee on Taxation

1-20

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1 AN ACT concerning property taxation; relating to personal property sold  
2 or transferred before the tax has been paid; amending K.S.A. 2015  
3 Supp. 79-2109 and repealing the existing section.  
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5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2015 Supp. 79-2109 is hereby amended to read as  
7 follows: 79-2109.(a) On and after January 1, 2015, if any owner of  
8 personal property sells or transfers such property to another after the date  
9 such property is assessed and before the tax thereon is paid, then the taxes  
10 on the personal property of such taxpayer which is being sold or  
11 transferred shall fall due immediately, and a lien shall attach to the  
12 property so sold or transferred. *If the amount of ad valorem tax to be*  
13 *levied by a taxing subdivision has not been certified to the county*  
14 *treasurer, the county treasurer shall calculate and collect an estimated*  
15 *amount which shall be deposited with the county treasurer in the manner*  
16 *described in subsection (c).* The lien shall be for an amount equal to the  
17 tax assessment for the year in which the sale or transfer is made and shall  
18 become due and payable immediately. The lien shall attach to the property  
19 and is not a personal debt of the purchaser or transferee. In no  
20 circumstance shall the purchaser or transferee be liable for any taxes owed  
21 by the seller or transferor prior to the year in which the sale or transfer  
22 occurred. Such lien shall be in preference to all other claims against such  
23 property. The county treasurer, after receiving knowledge of any such  
24 surrender or transfer, shall issue immediately a tax warrant for the  
25 collection thereof and the sheriff shall collect it as in other cases. The lien  
26 shall remain on the property and any person taking possession of the  
27 property does so subject to the lien. The one owing such tax shall be liable  
28 civilly to any person taking possession of such property for any taxes  
29 owing thereon, but the property shall be liable in the hands of the person  
30 taking possession thereof for such tax. If the property is sold in the  
31 ordinary course of retail trade it shall not be liable in the hands of the  
32 purchasers. No personal property which has been transferred in any  
33 manner after it has been assessed shall be liable for the tax in the hands of  
34 the transferee after the expiration of three years from the time such tax  
35 originally became due and payable.

36 (b) If, at the time of the sale, taxes on the personal property remain

1 due and unpaid for any tax year or years prior to the year of the sale, then  
2 such unpaid taxes shall be a personal debt of the seller, subject to  
3 collection under K.S.A. 79-2017 or 79-2101, and amendments thereto, as  
4 the case may be. The county treasurer of the county where such personal  
5 property taxes remain due and unpaid shall update the records of the  
6 county treasurer to show that the seller or transferor is delinquent and  
7 owes personal property taxes levied against the seller or transferor for such  
8 previous year or years for the purposes of vehicle registration under  
9 K.S.A. 8-173, and amendments thereto.

10 *(c) For the purposes of subsection (a), the estimated amount*  
11 *collected shall be equal to the product of the assessed value directly*  
12 *related to the county appraiser's latest certified valuation conducted*  
13 *pursuant to K.S.A. 79-1467, and amendments thereto, on the property*  
14 *multiplied by the current year's tax levy rate. After the tax roll has been*  
15 *certified to the county treasurer, the treasurer shall then allocate so much*  
16 *of the sum collected as will pay the taxes on the property. In the case in*  
17 *which the sum collected is in excess of the amount necessary for the*  
18 *payment of the taxes, the treasurer shall return the amount of excess to the*  
19 *depositing party. In the case in which the sum collected is insufficient to*  
20 *pay the taxes, the treasurer shall credit the sum so collected ratably to the*  
21 *funds for which such taxes were levied and notify the owner of record of*  
22 *the balance due and unpaid. The unpaid portion shall become due in full*  
23 *on or before December 20 and any amount still remaining due and unpaid*  
24 *after that date shall accrue interest at the rate prescribed by K.S.A. 79-*  
25 *2968, and amendments thereto.*

26 Sec. 2. K.S.A. 2015 Supp. 79-2109 is hereby repealed.

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