

KANSAS OFFICE *of*  
**REVISOR *of* STATUTES**

LEGISLATURE *of* THE STATE *of* KANSAS  
*Legislative Attorneys transforming ideas into legislation.*

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300 SW TENTH AVENUE ■ SUITE 24-E ■ TOPEKA, KS 66612 ■ (785) 296-2321

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**MEMORANDUM**

To: Madam Chairperson and Members of the Committee on Assessment and Taxation  
From: Office of Revisor of Statutes  
Date: February 25, 2021  
Subject: Senate Bill No. 147

**Summary**

Senate Bill No. 147 establishes a sales tax exemption for “nonprofit integrated community care organizations.”

Section 1 would amend K.S.A. 79-3602 to include a definition of “nonprofit integrated community care organization.” “Nonprofit integrated community care organization” means an entity that is:

(1) Exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986;

(2) certified to participate in the medicare program as a hospice under 42 C.F.R. § 418 et seq. and focused on providing care to the aging and indigent population at home and through inpatient care, adult daycare or assisted living facilities, and related facilities and services across multiple counties; and

(3) approved by the Kansas department for aging and disability services as an organization providing services under the program of all-inclusive care for the elderly as defined in 42 U.S.C. § 1396u-4 and its implementing regulations. See page 11.

Section 2 would amend K.S.A. 79-3606(b) to include a nonprofit integrated community care organization in the retailers’ sales tax exemption that currently exempts certain sales of tangible personal property or services, including the renting and leasing of tangible personal property,

purchased by the state, certain political subdivisions, public or private nonprofit hospitals, public hospital authorities and nonprofit blood, tissue or organ banks and used exclusively for those purposes. See page 12.

The bill would take effect from and after its publication in the statute book.