

HOUSE BILL No. 2136

AN ACT concerning taxation; relating to property tax; establishing the COVID-19 retail storefront property tax relief act to provide partial refunds to certain businesses impacted by COVID-19-related shutdowns and restrictions; relating to sales and compensating use tax; increasing thresholds for timing of returns and payments; discontinuing the first 15 days of the month remittance requirements for certain retailers; providing countywide retailers' sales tax authority for Atchison county; delaying implementation of exclusion of separately stated delivery charges from sales or selling price; amending K.S.A. 79-3607 and K.S.A. 2021 Supp. 12-187, as amended by section 28 of 2021 House Bill No. 2239, 12-189, as amended by section 29 of 2021 House Bill No. 2239, 12-192, as amended by section 30 of 2021 House Bill No. 2239, and 79-3602, as amended by section 44 of 2021 House Bill No. 2239, and repealing the existing sections; also repealing K.S.A. 79-3607, as amended by section 3 of chapter 83 of the 2021 Session Laws of Kansas.

*Be it enacted by the Legislature of the State of Kansas:*

New Section 1. The provisions of sections 1 through 13, and amendments thereto, shall be known and may be cited as the COVID-19 retail storefront property tax relief act. The purpose of this act shall be to provide refunds to certain businesses impacted by COVID-19 related shutdowns and restrictions during tax years 2020 and 2021 based on a portion of property taxes accrued on retail storefront property.

New Sec. 2. As used in this act:

- (a) "Act" means the COVID-19 retail storefront property tax relief act.
- (b) (1) "Claimant" means a for-profit business, regardless of legal structure, who has filed a claim under the provisions of this act and who:
  - (A) Conducts a majority of its retail sales through customers' physical, on-site presence at a retail storefront property;
  - (B) was in operation on or prior to July 1, 2019, and filed a 2019 tax return;
  - (C) had at least \$10,000 in annual revenues, including gross sales and receipts, in 2019;
  - (D) received less gross revenue in 2020 or 2021, as applicable, compared to 2019;
  - (E) was in active operations as of March 1, 2020; and
  - (F) has not received more than a total of \$150,000 in prior COVID-19-related local, state or federal funding or any combination thereof.
- (2) "Claimant" shall not include:
  - (A) Grocery stores and pharmacies;
  - (B) hardware stores and home improvement businesses;
  - (C) retail liquor stores;
  - (D) manufacturers and food processors;
  - (E) schools, such as pre-kindergarten, kindergarten through grade 12, post-secondary, higher education, technical education and training;
  - (F) hospitals and healthcare providers, including, but not limited to, physicians, surgeons, psychologists and psychoanalysts, but not including personal services providers such as massage therapists and chiropractors;
  - (G) property management and real estate services, including owners or operators of short-term rental properties;
  - (H) professional services, including, but not limited to, accounting, insurance, legal, financial services and firms, information technology, engineering and architecture;
  - (I) agriculture and aquaculture producers, including farms, ranches and fisheries, but not including their retail storefronts used to conduct retail sales to customers;
  - (J) hosts or operators of a vacation or short-term rental unit;
  - (K) passive businesses, investment companies and investors who file a schedule E on their individual tax returns;
  - (L) financial businesses primarily engaged in the business of lending, such as banks, finance companies and factoring companies;
  - (M) cable companies, telephone companies, utilities and other similar businesses; and

~~(b)~~(c) All model 1, model 2 and model 3 sellers are required to file returns electronically. Any model 1, model 2 or model 3 seller may submit its sales and use tax returns in a simplified format approved by the director. Any seller that is registered under the agreement, which does not have a legal requirement to register in this state, and is not a model 1, model 2 or model 3 seller, may submit its sales and use tax returns as follows:

- (1) Upon registration, the director shall provide to the seller the returns required;
- (2) seller shall file a return anytime within one year of the month of initial registration, and future returns are required on an annual basis in succeeding years; and
- (3) in addition to the returns required in subsection ~~(b)~~(2) (c)(2), sellers are required to submit returns in the month following any month in which they have accumulated state and local sales tax funds for this state in the amount of \$1,600 or more.

Sec. 19. K.S.A. 79-3607 and 79-3607, as amended by section 3 of chapter 83 of the 2021 Session Laws of Kansas, and K.S.A. 2021 Supp. 12-187, as amended by section 28 of 2021 House Bill No. 2239, 12-189, as amended by section 29 of 2021 House Bill No. 2239, 12-192, as amended by section 30 of 2021 House Bill No. 2239, and 79-3602, as amended by section 44 of 2021 House Bill No. 2239, are hereby repealed.

Sec. 20. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the HOUSE, and was adopted by that body

February 25, 2021

House adopted  
Conference Committee Report May 23, 2022

\_\_\_\_\_  
*Speaker of the House.*

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*Chief Clerk of the House.*

Passed the SENATE  
as amended March 31, 2021

SENATE adopted  
Conference Committee Report May 23, 2022

\_\_\_\_\_  
*President of the Senate.*

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*Secretary of the Senate.*

APPROVED \_\_\_\_\_

\_\_\_\_\_  
*Governor.*