KANSAS DEPARTMENT OF REVENUE

REVISED NOTICE 09-03

KANSAS RETAILERS' SALES OR COMPENSATING USE TAX

RELIEF FROM LIABILITY FOR CERTAIN SELLERS CONCERNING NOTICE OF RATE CHANGES

Whenever there is less than thirty (30) days between the date of enactment of any amendments to K.S.A. 79-3603 and K.S.A. 79-3703 making a change in the retailers' sales tax or compensating use tax rate and the effective date of such rate change, the Department shall relieve the seller of liability for failing to collect tax at the new effective rate if:

1. the seller collected tax at the immediately preceding effective rate; and
2. the seller's failure to collect at the newly effective rate does not extend beyond thirty days after the date of enactment of the new rate.

When it is established that the seller fraudulently failed to collect at the new sales tax rate or solicits purchasers based on the immediately preceding effective rate the relief cited above does not apply.

RELIEF FROM LIABILITY FOR CERTAIN PURCHASERS

A. A purchaser is relieved from liability for penalties for having failed to pay the correct amount of sales or use tax in the following circumstances:
   1. A purchaser's seller or Certified Service Provider ("CSP") relied on erroneous data provided by that Department on tax rates, boundaries, taxing jurisdiction assignments, or in the taxability matrix completed by that Department pursuant to K.S.A. 2008 Supp. 79-3677, and amendments thereto; or
   2. A purchaser holding a direct pay permit relied on erroneous data provided by the Department on tax rates, boundaries, taxing jurisdiction assignments, or in the taxability matrix completed by the Department pursuant to K.S.A. 2008 Supp. 79-3677, and amendments thereto.
   3. A purchaser relied on erroneous data provided by the Department in the taxability matrix completed by the Department pursuant to K.S.A. 2008 Supp. 79-3677, and amendments thereto.
   4. A purchaser using databases provided by the Department pursuant to subparagraph (d) of K.S.A. 2008 Supp. 79-3668, and amendments thereto, relied on erroneous data provided by the Department on tax rates, boundaries, or taxing jurisdiction assignments.

B. A purchaser is also relieved from liability for state and local sales or use tax and interest for having failed to pay the correct amount of sales or use tax in the circumstances described in paragraph A. above, provided that, with respect to

reliance on the taxability matrix completed by the Department pursuant to K.S.A. 2008 Supp. 79-3677, and amendments thereto, such relief is limited to the Department's erroneous classification in the taxability matrix of terms listed in the taxability matrix as "taxable" or "exempt," "included in sales price" or "excluded from sales price" or "included in the definition" or "excluded from the definition".

C. For purposes of this Notice, the term "penalty" means an amount imposed for noncompliance that is not fraudulent, willful, or intentional which is in addition to the correct amount of sales or use tax and interest.

This notice is effective on and after January 1, 2009.

Taxpayer Assistance

Additional copies of this notice, other forms or publications are available from our web site, **www.ksrevenue.org**. If you have questions about this notice, please contact:

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