Kansas Department of Revenue
Office of Policy & Research

NOTICE 09-08
Revised September 17, 2014

Kansas Discount Rates for Colorado Retailers

The Colorado Department of Revenue announced that it was reducing to zero (0%) the "service fee" Colorado businesses retained to offset the cost of collecting, reporting and remitting Colorado Sales and Compensating Use Tax returns. No service fee will be allowed for Colorado sales and use tax returns filed on or after July 1, 2009. This ruling applies to Kansas retailers collecting and reporting Colorado Use tax.

By Agreement between Colorado and Kansas in effect since 1968 pursuant to K.S.A. 79-3707(c), the discount rate extended to Colorado retailers who collect and remit the Kansas Retailers' Compensating Use Tax has been 3 and 1/3 percent (3.33%) of the tax remitted when the remittance is timely.

Effective for returns (Form CT-9U) filed on or after July 1, 2009 by Colorado retailers the Kansas "discount rate" is reduced to zero (0%).

The discount rate for retailers in Nebraska (3%) and Missouri (3%) remain in effect for returns filed prior to January 1, 2015, and for returns filed on or after January 1, 2015, the discount rate for retailers in Nebraska will reduce to 2.5% of the first $3,000 of Kansas Retailers' Compensating Use Tax timely remitted each month, and the discount rate for retailers in Missouri will reduce to 2% of the Kansas Retailers' Compensating Use Tax timely remitted. Effective for returns reporting transactions occurring on or after July 1, 2010, the discount rate for retailers in Oklahoma is 1% of Kansas Retailers' Compensating Use Tax collected, with a maximum cap of $2500 per month when the remittance is timely. See Notices 10-06 and 14-17 for additional information.

Taxpayer Assistance

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

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