Policy and Research
109 SW 9th Street
PO Box 3506
Topeka KS 66601-3506
Mark A. Burghart, Secretary

Kansas
Department of Revenue

Phone: 785-368-8222
Fax: 785-296-1279
www.ksrevenue.gov
Laura Kelly, Governor

NOTICE 24-07

WITHHOLDING TAX PENALTY CHANGES

(JULY 1, 2024)

During the 2024 Legislative Session Senate Bill 410 was passed and signed into law. Section 17 of the Bill amended K.S.A. 79-32,107, which controls the imposition of penalty and interest for noncompliance with the provisions of the Kansas withholding and declaration of estimated tax act.

Most of the provisions of K.S.A. 79-32,107 remain unchanged. The substantive amendments to K.S.A. 79-32,107(f) address the case of failure by an employer to timely remit withholding tax. Under current law, when a penalty is imposed, it is imposed at the rate of 15%, regardless of how late the remittance is made. The new language, in what is now subsection (f)(1), provides the penalty which will be imposed on a remittance made after the due date of the return, as determined under K.S.A. 79-3298, is to be:

> *(A) 2% of the amount of the underpayment if remitted within one to five days;*
> *(B) 5% of the amount of the underpayment if remitted within six to 15 days;*
> *(C) 10% of the amount of the underpayment if remitted after 15 days; and*
> *(D) 15% of the amount of the underpayment if remitted after 15 days and the department has issued a notice to the person regarding the underpayment but the amount of the underpayment was not remitted within 10 days of issuance of the notice.*

The new provisions are effective July 1, 2024. Any remittance that was due, but unpaid, prior to July 1, 2024, will be subject to the imposition of penalty at the rate of 15%.

TAXPAYER ASSISTANCE

Additional copies of this notice, forms or publications are available from our website, www.ksrevenue.gov. If you have questions about this Notice, please contact:

Taxpayer Assistance Center
Kansas Department of Revenue
Scott Office Building, 1st Floor
120 SE 10th Ave
P. O. Box 3506
Topeka, KS 66601-3506
Phone: 785-368-8222
Fax: 785-291-3614