

SESSION OF 2002

SUPPLEMENTAL NOTE ON SENATE BILL NO. 414

As Amended by Senate Committee on
Assessment and Taxation

Brief*

The bed and channel of any river in Kansas is generally considered property of the state. Under Kansas law, any person who wishes to take sand, gravel, oil, gas or minerals, hay, or timber from any river bed must obtain the consent of the Director of Taxation and pay royalties to the state. SB 414, as amended, would provide civil penalties and interest provisions for failure to meet requirements relative to filing or payment of royalties for sand, gravel, or other products removed from river beds. The Department of Revenue would enforce the penalties, which could be waived or reduced at the Secretary's discretion.

Background

The Senate Committee held a hearing on SB 414, at which time a representative of the Department of Revenue testified in favor of the bill. He told the Committee that civil penalty and interest provisions are needed to provide the Department the needed civil enforcement measures to administer the agreements for sand and gravel, or other product, removal from river beds, to ensure prompt filing of returns and payment of compensation, as required by law.

The Senate Committee's amendment was technical in nature, removing language which would have provided the Director of Taxation authority to waive the penalties prescribed by a section of the bill which did not contain a penalty.

According to the Division of the Budget, SB 414 would have a negligible effect on State General Fund revenues.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.accesskansas.org/legislature/>