

Notice

Notice Number: 96-03
Tax Type: Sand and Gravel
Brief Description: Sand Royalty Fee Increase
Keywords:
Effective Date: 07/01/1996

Body:

Division of Taxation

SAND ROYALTY FEE INCREASE

The 1996 Kansas Legislature passed, and the Governor signed into law, House Bill 2663. This bill amends K.S.A. 70a-102 to increase the sand royalty rate, and to repeal certain former exemptions. The amendments are effective July 1, 1996.

The amended law:

- Increases the sand royalty rate to \$.15 per ton for sand removed.
- Authorizes the Secretary of Revenue to determine, by rule and regulation, the amount of compensation to be paid for other materials removed from rivers.
- Allows only sand removed for a person's own domestic use to be exempted from the royalty.

Attached to this notification are the revised:

Sand Royalty Monthly Reporting Form

For ease of reporting, the revised reporting form allows multiple locations to be filed on a single report. This form is to be used beginning with the July, 1996 return, due August 15, 1996. The reporting form asks for the number of tons that are removed and not returned, because all tons are subjected to the royalty. The only exempt sand is that removed by a person for domestic use. Also required on the reporting form is the tonnage sold for use outside Kansas. This amount would be included in the tons that are removed and not returned column.

Contract

The Contract has been revised to reflect changes in the law. Please sign and return with the July, 1996 reporting form, due August 15, 1996.

Based on a low delinquency rate on royalty payments, a surety bond is no longer required. All sand royalty bonds may be canceled.

If you have questions, please call the Business Tax Bureau at (913) 296-2461.

NOTICE 96-03 (7/1/96)
TO: Sand Dredging Companies
RE: Sand Royalty Fee Increase

Date Composed: 10/02/1997 Date Modified: 10/10/2001

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