

NOTICE 10-01

TO: All Kansas Petroleum Products Inspection Fee Filers

DATE: April 25, 2010

This Notice is to advise effective July 1, 2010 the Petroleum Products Inspection Fee has been restored to \$.015 per barrel on gasoline and diesel.

The Kansas Legislature passed House Bill 2145 in 2007 which gave the Secretary of Agriculture the authority to reduce and restore the Petroleum Products Inspection Fee.

K.S.A. 55-426. Fees, amount. (a) The director of taxation is entitled to demand and receive from the manufacturer, importer, exporter or distributor first selling, offering for sale, using or delivering gasoline or diesel including government sales, the sum of \$.015 per barrel. For the purposes of this section 50 gallons is to be considered and counted as a barrel.

(b) The secretary is hereby authorized and empowered to reduce the fees and charges provided by subsection (a) for any period deemed justified whenever the secretary shall determine that such fees and charges being paid into the state treasury as required by law are yielding more revenue than is required for the purposes to which such fees and charges are devoted by law. In the event that the secretary determines that sufficient revenues are not being produced by such reduced fees and charges, the secretary is hereby authorized and empowered to restore the fees and charges in full or in part to a rate not exceeding that provided in subsection (a) that will in the secretary's judgment produce sufficient revenue for the purposes to which such fees and charges are devoted by law.

Should you have any questions regarding this matter or require additional information, please contact this office at 785-368-8222 or write the Motor Fuel Tax Section, Kansas Department of Revenue, 915 S.W. Harrison St., Topeka, Kansas 66625-8000.