

Kansas Administrative Regulations

Kansas Department of Revenue

Article 14.—Liquefied Petroleum Fuel Tax

92-14-8. License applications; bond requirements.

(a) Each individual, partnership, and corporation that applies for a liquefied petroleum gas license shall post a bond equal to its three months' average tax liability. New businesses shall estimate their tax liability for one year and submit a bond in an amount equal to 25 percent of the estimated annual liability, or \$1,000, whichever is greater. A license shall not be granted until the bond requirements are met.

(b) Bond requirements shall be satisfied by surety bonds executed by an approved corporate surety, escrow agreements entered into using department forms, or cash bonds posted with the department.

(c) The bond requirement may be reduced by the director to \$1,000 if a certified financial statement indicating a net worth in excess of one year's average tax liability is submitted. The required bond may be reduced by the director to an amount equal to two months' tax liability, but not less than \$1,000, in consideration of a satisfactory reporting history for the prior 12 months in which there were no returned checks or other delinquencies.

(d) Motor fuel tax bonds and financial statements may be reviewed periodically by the department. An additional bond or a current certified financial statement may be required by the director if the existing bond or net worth shown on the financial statement is less than the current average three months' tax liability.

(Authorized by K.S.A. 79-34,102; implementing K.S.A. 79-3496; effective May 1, 1979; amended March 29, 2002.)

***** Authenticated Kansas Administrative Regulation *****