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September 15, 2026

Adam Proffitt, Director of the Budget
Kansas Division of the Budget
915 SW Harrison, Suite 310
Topeka, KS 66612

Dear Director Proffitt:

I respectfully submit the Kansas Department of Revenue budget request for FY2027 and FY2028. This budget was prepared in compliance with Department of Administration budget instructions.

All statements and justifications contained in this budget submission are true and correct to the best of my knowledge.

Thank you for your consideration.

Sincerely,

RD Coker

RD Coker
Acting Chief Financial Officer
Kansas Department of Revenue

Enclosures

cc: Sean Tomb, Budget Analyst
Chardae Caine, Legislative Research Department

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AGENCY OVERVIEW

The mission of the Kansas Department of Revenue (KDOR) is to collect taxes and fees, administer Kansas tax laws, issue a variety of licenses, and provide assistance to Kansas citizens and local units of government.

The agency's philosophy is to commit to hard work every day for the people of Kansas; to treat taxpayers, our employees, and each other with respect; to conduct business with integrity, fairness and civility; and to be held accountable for our efforts. We collect taxes and fees fairly, accurately and efficiently.

The primary goals of KDOR:

- Encourage and achieve the highest degree of voluntary compliance with Kansas laws;
- Provide assistance to Kansas citizens and local governments in an efficient, timely, and courteous manner;
- Improve quality customer service and organizational performance;
- Foster the personal and professional growth of its employees; and
- Utilize progressive technology to improve productivity and efficiency.

Programs established to assist with the agency mission are the Office of the Secretary, Aid to Locals, Alcoholic Beverage Control, Division of Taxation, Property Valuation Division, and the Division of Vehicles.

STATUTORY AUTHORITY

Authority for the Kansas Department of Revenue was created in 1972 by K.S.A. 75-5101 *et seq.* under the Executive Reorganization Act. Powers, duties, and functions established or transferred to KDOR under this legislation include the Division of Taxation, Alcoholic Beverage Control, Property Valuation Division, and Division of Vehicles.

The Alcoholic Beverage Control program was established in 1949 by passage of the Liquor Control Act (L. 1949, chapter 242). This unit provides for the regulation of all phases of manufacture, distribution, sale, possession, and traffic in alcoholic liquor and manufacture of beer except 3.2 percent and less (K.S.A. 41-101). The basic duties and functions of the division are set forth in K.S.A. 75-5117.

In 2005, SB298 was passed to amend the Liquor Control Act. The bill made the Act uniformly applicable to all cities and counties in Kansas. Retail sales became legal in all cities unless the city chooses to become 'dry' by ordinance or election. The bill also allowed cities and counties to pass ordinances/resolutions to allow the sale of alcohol on Sundays.

The Property Valuation Division, under K.S.A. 75-5105 *et al.*, maintains a system for the assessment and valuation of personal property. The appraisal support section fulfills these duties and those of K.S.A. 79-1478 to make assistance available to any county upon request and to provide appraisal guides, schedules and methodologies to counties as required by K.S.A. 79-1412(a).

K.S.A. 75-5111 transferred the powers and duties of the State Highway Commission's Motor Vehicle Department to the Kansas Department of Revenue effective July 1, 1972. Titles and Registrations was given the responsibility of issuing license plates and certificates of title, collecting fees, and administering statutes dealing with title issuance and registration of motor vehicles. The Driver Control and Driver's License units issue and monitor driver's licenses for safety and compliance with state regulations.

STATUTORY CHANGES DURING THE 2026 LEGISLATIVE SESSION

The 2026 Legislature passage of bills into law that impact the agency are summarized below:

Alcohol Beverage Control

Senate Bill 300 creates requirements for certain manufacturers of alcoholic liquor regarding corporation income tax and repeals obsolete statutory language.

House Bill 2481 authorizes the sale of alcoholic beverages 23 hours a day, seven days a week, for the duration of the FIFA 2026 World Cup.

Property Tax

House Bill 2440 allows the property tax exemption for certain low production oil leases, as defined in continuing law, to be approved by county appraisers without requiring the owners of such leases to file an application for exemption with the State Board of Tax Appeals.

House Bill 2466 exempts from property or general ad valorem taxes any property acquired by the Kansas Sports Facilities Authority.

House Bill 2644 expands the requirement that county appraisers either adjust property valuations based on prior valuation appeal final determinations or order independent fee simple appraisals of property in certain cases. The requirement is expanded from applying only to commercial real property to also apply to residential real and tangible personal property for which a final determination is made on or after January 1, 2026.

House Bill 2769 requires any municipality that creates a subordinate service taxing area and appoints its governing body to require all appointed voting members to be residents of the taxing

area under certain circumstances. The bill does not apply to elected members of a governing body.

Taxation

Senate Bill 82 makes changes to tax credits for employer expenses for child care, creates income tax credits for retail sales of higher-ethanol blends of fuel and certain expenditures on purchases of lockable gun and ammunition storage, and discontinues or repeals certain tax credits.

Senate Bill 300 creates requirements for certain manufacturers of alcoholic liquor regarding corporation income tax and repeals obsolete statutory language.

Senate Bill 368 enacts the Health Care Sharing Ministries Tax Deduction Act, providing a subtraction modification for taxpayers for qualified health care sharing expenses and amounts of qualified health care share received by taxpayers.

House Bill 2464 extends to 2031, the sunset dates of the Angel Investor Tax Credit, tax credits for contributions to graduates of aerospace and aviation-related educational programs and employers of program graduates, and tax credits for contributions to the Eisenhower Foundation and the Friends of Cedar Crest Association. The bill requires at least 25 percent of the Angel Investor credits allowed each tax year to be utilized for investors in qualified businesses located in counties with populations of 50,000 or less, provided the amount of credits requested by October 1 is sufficient to allow such distribution.

House Bill 2466 creates the Kansas Sports Facilities Authority Act to provide for the construction of a sports facility and related infrastructure for a National Football League franchise team to play its home games; makes changes to the STAR Bonds Financing Act and extends its sunset to July 1, 2031; and modifies the authorized uses of the Attracting Professional Sports Fund.

House Bill 2481 authorizes the sale of alcoholic beverages 23 hours a day, seven days a week, for the duration of the FIFA 2026 World Cup, and between May 15, 2026, and July 25, 2026, requires the collection of transient guest taxes for any short-term rental or vacation unit and prohibits city and county governments from limiting the number of permits or other authorizations required for the operation of such units.

House Bill 2602 establishes requirements for portable benefit plans for independent contractors and provides subtraction modifications for Kansas income tax purposes for contributions to such plans.

Vehicles

Senate Bill 244 creates law requiring the designation of multiple-occupancy private spaces in public buildings for use by only one sex and creates enforcement mechanisms; amends the Help Not Harm Act, Motor Vehicle Drivers' License Act, Women's Bill of Rights, and Uniform Vital

Statistics Act to define the term "gender"; declares certain birth certificates and driver's licenses to be invalid; and requires correction of gender identification markers on licenses and birth certificates where necessary.

Senate Bill 325 creates the Vehicle Services Modernization Task Force; specifies limits for the use of the special fund for county treasurers, the Division of Vehicles, Kansas Department of Revenue, or contractors of the Division in paying for necessary help and expenses incidental to the administration of duties in collecting motor vehicle registration and certificate of title fees; and renames certain fees related to vehicle registration and authorize an increase to a transaction fee, with approval by the board of county commissioners, to not more than $10 in calendar years 2027, 2028, and 2029.

Senate Bill 366 prohibits use of a mobile telephone in a school zone or road construction zone under certain circumstances and authorizes certain uses and colors of warning lights on highway construction vehicles.

Senate Bill 403 authorizes the Pheasants Forever, Quail Forever, and Delta Waterfowl license plates; prohibits a license plate with any frame or other object on or around the plate that affects its visibility or legibility; and clarifies the definition of "conviction" in the Kansas Uniform Commercial Driver's License Act.

House Bill 2274 amends law to authorize the issuance of non-driver identification (ID) cards to homeless veterans and designates Kansas as a Purple Heart State and August 7 of each year as Purple Heart Day.

House Bill 2437 enacts the SAVE Kansas Act, concerning voter registration record maintenance, and creates restrictions for online voter registration websites.

House Bill 2467 prohibits a sanction of the Division of Vehicles, Kansas Department of Revenue, for failure to comply with a traffic citation from being considered in determining suspended or restricted driving privileges if the sanction is more than five years old. The prohibition on sanctions applies retroactively.

House Bill 2562 adds physical therapists, licensed to practice under the Physical Therapy Practice Act, to the list of authorized practitioners who can certify to the Kansas Department of Revenue, Division of Vehicles, that an individual has a disability, for purposes of obtaining a placard displaying the international symbol of access for use in a vehicle.

BUDGET OVERVIEW

In FY2026, 65% of actual expenditure was employee wages and employer benefit costs. Contractual services, which include building lease costs, software license fees and maintenance agreements, communication charges, and travel costs to conduct audits and other regulatory functions in-state and out-of-state make up approximately 89% of agency operating expenditures outside of salary and wage costs.

This budget has been prepared in accordance with instructions published by the Division of the Budget. The table below shows requested service levels for FY2027 and FY2028:

Program	FY2027 Approved	FY2027 Revised Budget Request	FY2028 Budget Request
Office of the Secretary	$ 40,275,835	$ 36,441,766	$ 38,473,394
Aid to Local Governments	$ 3,775,000	$ 4,255,000	$ 4,255,000
Alcoholic Beverage Control	$ 4,170,650	$ 4,082,027	$ 4,335,483
Division of Taxation	$ 34,808,032	$ 39,423,810	$ 41,742,954
Property Valuation Division	$ 5,515,229	$ 5,722,210	$ 5,997,649
Division of Vehicles	$ 43,161,554	$ 42,561,484	$ 44,367,370
TOTAL	$ 131,706,300	$ 132,486,297	$ 139,171,850

*Includes enhancements

The Kansas Department of Revenue requests authorization for 1021.03 FTE positions for FY2027 and FY2028 to maintain current service levels.

Program	FY2027 FTE Positions	FY2028 FTE Positions
Office of the Secretary	190.67	190.67
Alcoholic Beverage Control	38.50	38.50
Division of Taxation	422.28	422.28
Property Valuation Division	39.50	39.50
Division of Vehicles	330.20	330.20
TOTAL	1021.15	1021.15

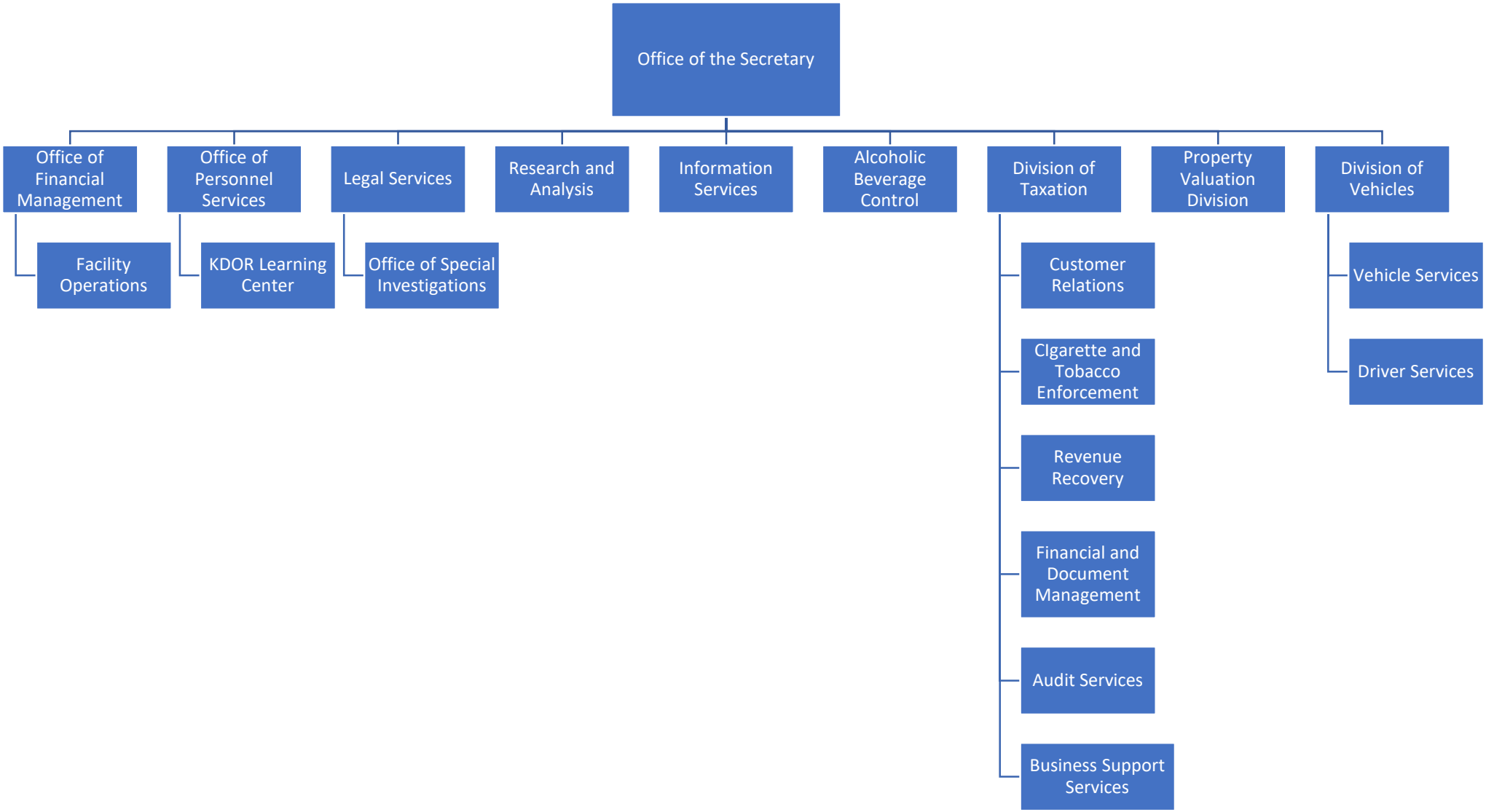
SUPPLEMENTAL/ENHANCEMENT PACKAGE REQUEST – FY2027 and FY2028

This tax season, 1.5 million tax returns were filed in Kansas, and 95% have been processed and completed. The remaining 5%, across paper and electronic filings, have been flagged for additional review for a host of reasons. Unfortunately, the reasons for the flags are specific to the return and are typically technical in nature. As a result, the review process takes time and must be completed by trained KDOR employees. This level of review cannot be done by temporary or seasonal workers.

KDOR has 60 days to pay a refund with no interest beginning on April 15 or date the return is received. If the review takes longer than 60 days to complete, the taxpayer is paid for the 60 days plus the additional number of days it takes to complete the review. Interest rates that are paid to taxpayers are set by statute KSA 79-2968 and are based on Federal interest rates.

On September 15, 2026, the interest KDOR has paid to taxpayers with delayed refunds in the system due to the backlog is about $1,106,184 from the state general fund. By the time the entire backlog has been completed, we estimate that the interest payments will increase substantially. The Kansas Department of Revenue has a proven track record of clearing these backlogs promptly when appropriate funding is made available. Therefore, KDOR requests an increase in appropriation of $300,000 in overtime costs for Customer Relations in Taxation in FY2027 and FY2028 to reduce the tax return backlogs and interest paid on refunds.

KANSAS DEPARTMENT OF REVENUE
ORGANIZATIONAL CHART



AGENCY REVENUE SOURCES

Fund 1000: State General Fund

Revenue estimates that are not estimated by the Consensus Committee on Revenue Estimates are included below for FY2027 and FY2028:

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Charges for Inspections, Examinations and Audits (420100)	$100,000	$100,000	$100,000
Charges for Clerical Services, Issuance of Certificates and Copies (420400)	$1,528,500	$1,400,000	$1,400,000
Occupational Licenses, Permits and Registration of Businesses (421110)	$2,364,757	$1,980,000	$1,980,000
Oil, Gas, Mineral and Sand Royalties (431400)	$1,311	$5,000	$5,000
Other Fines, Penalties and Forfeitures (454090)	$202,400	$200,000	$200,000

Fund 2016: Special Training Fund

KDOR is authorized to charge and collect fees for conferences, seminars, workshops, and examinations sponsored or co-sponsored by the agency. Expenditures made from this fund are for operating expenditures including official hospitality incurred.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Other Service Charges (420990)	$86,481	$85,000	$85,000

Fund 2021: Recovery Fund for Enforcement Actions and Attorney Fees

This fund was established to permit recovery of costs resulting from actions necessary to close a business for non-payment of taxes. Deposits to the fund also include other recoveries of costs incurred, such as certified mail costs and bad check charges recovered from delinquent taxpayers. K.S.A. 75-5162 authorizes KDOR to collect a $25 service fee on payment plans for delinquent taxes, $50 service fee for requesting a full or partial tax abatement, and a $22 allowance from the IRS for the State Income Tax Levy Program.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Other Service Charges (420990)	$2,300,893	$2,150,000	$2,150,000

Fund 2084: Photo Fee Fund

The Photo Fee Fund was created by HB2192 in 2003 for the purpose of funding the administration and operation, including equipment, associated with the issuance of drivers' licenses and identification cards. K.S.A. 8-243 authorizes the Secretary of Revenue to charge an $8 fee per credential to be deposited in this fund. The cost of each credential is $5.60, with the remainder of fee used for administrative operations in the Division of Vehicles.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
License Motor Vehicle Operator (421210)	$5,562,395	$5,300,000	$5,300,000

Fund 2087: Sand Royalty Fund

Proceeds derived from the sale of any state property under K.S.A. 70a-101 *et seq.* to the state treasurer by the director of taxation. All reasonable expenses incurred in carrying out the provisions of this act and annual payments to drainage districts and counties shall be paid from the Sand Royalty Fund. Remaining funds are transferred to the State Water Fund. The sand royalty rate is fifteen cents ($.15) per ton. Revenue estimates are coordinated with the Kansas Water Office.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Oil, Gas, Mineral & Sand Royalty (431400)	$52,965	$50,000	$50,000
Operating Transfer Out (766020)	$0	$0	$0
TOTAL	$52,965	$50,000	$50,000

Fund 2089: Division of Vehicles Operating Fund

Amounts deposited into the fund include charges for clerical services, certificates and copies, and driver's license reinstatement fees. The inbound operating transfer is the quarterly transfer from the State Highway Fund under the terms of annual appropriation acts. HB2513 was passed by the 2026 Legislature and created the $11 distinctive license plate fee which is associated with the costs of postage and production of personalized and specialized license plates to offset the cost to KDOR. It is anticipated to continue into FY2027 through the appropriations bill.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Charges for Technical & Skilled Services (420200)	$345,759	$330,000	$330,000

Charges for Clerical, Certificates (420400)	$65,590	$65,000	$65,000
Manufactured Products (422100)	$0	$750,000	$750,000
Other Fines, Penalties and Forfeitures (454090)	$544,583	$525,000	$525,000
Operating Transfers In (766010)	$60,347,826	$62,447,900	$64,847,900
Operating Transfers Out (766020)	$0	$0	$0
License Other Businesses (421190	$2,100	$1,500	$1,500
Motor Vehicle Registration (412700)	$1,908	$1,700	$1,700
TOTAL	$61,307,766	$64,121,100	$66,521,100

Fund 2098: Commercial Vehicle Administrative Fund

HB2257 passed in 2012 and created this fund to collect commercial motor vehicle registration fees. The $4 per commercial vehicle fee is split so that $2 is deposited into this fund for the sole purpose of operation, maintenance, and enhancement of the work processes, systems, and related costs associated with commercial motor vehicles. The remaining $2 is deposited into a county treasurer fund created pursuant to K.S.A. 8-145. In 2017, SB89 amended K.S.A. 8-145 to allow KDOR to keep the full registration fee if the registration is processed exclusively by the Division of Vehicles.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Commercial Vehicle Fees (412720)	$548,066	$525,000	$525,000

Fund 2189: Vehicle Dealers and Manufacturers Fee Fund

In accordance with K.S.A. 8-2425(f), amounts deposited to this fund are half of the fees received from the sale of motor vehicle dealer full-privilege tags. The annual fee for these tags set by K.S.A. 8-2425(b) is $350.50. The remaining half, $175.25, is deposited to the County Treasurers' Vehicle Licensing Fee Fund and distributed to the counties. K.S.A. 8-2402, 2(b) provides for $25.00 of the $75.00 dealer license and $10.00 of the $25.00 vehicle salesperson's license fee be deposited into this fund and used for agency operations.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Motor Vehicle Registration (412700)	$411,162	$400,000	$400,000

Fund 2232: Distinctive License Plate Fund

K.S.A 8-1, 141(f) states that a person or organization sponsoring a distinctive license plate shall submit to KDOR a nonrefundable amount not to exceed $20,000 to defray production costs for developing the license plate.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Distinctive Plate Fee (422100)	$20,000	$20,000	$20,000

Fund 2244: VIPS/CAMA Technology Hardware Fund

K.S.A. 74-2021 created this fund to finance upgrades and annual maintenance costs to the MOVRS (Division of Vehicles) and CAMA (Property Valuation Division) systems used by the counties. A $3 fee per title amount is deposited to this fund.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Motor Vehicle Registration (412700)	$2,569,009	$2,500,000	$2,500,000

Fund 2274: MSA Compliance Fund

This fund was established by HB2002 during the 2017 legislative session to pay expenses incurred to comply with terms of the Master Settlement Agreement (MSA) for cigarette and tobacco enforcement. The inbound operating transfer is from the Kansas Endowment for Youth Fund under the terms of annual appropriation acts.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Operating Transfers In (766010)	$1,200,000	$1,200,000	$1,200,000

Fund 2287: Electronic Databases Fee Fund

K.S.A. 74-2022(a) authorizes the Secretary of Revenue to fix, charge, and collect fees to provide access to or to furnish copies of data constituting public records in the vehicle information processing system, the Kansas computer assisted mass appraisal system (CAMA), and other electronic database systems used by KDOR. Fees are fixed in order to recover all or part of the costs incurred to operate, maintain, and improve such database systems. Fees collected are also used to fund general operating and administrative costs for the agency.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts

Charges for Technical and Skilled Services (420400)	$26,942,860	$26,700,000	$26,700,000
Operating Transfer In (766010)	$0	$0	$0
TOTAL	$26,942,860	$ 26,700,000	$ 26,700,000

Fund 2294: Cigarette and Tobacco Products Regulation Fund

K.S.A. 79-3387(b) specifies that all license fees imposed by Kansas Cigarette and Tobacco Products Act shall be deposited into this fund. Licenses renew on a two-year cycle with all license fees due by December 31st of odd-numbered fiscal years. The amounts collected must be used for expenses over a two-year renewal cycle; therefore, only a portion of the amount available is expended in each year. KDOR has contracts with KDADS and the FDA to conduct underage controlled buys. Fines collected from controlled buy violations, reimbursements, and management fees received from the FDA are also deposited into this fund.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Occupational Licenses, Permits and Regulation (421110)	$257,310	$260,000	$260,000
Other Miscellaneous Revenue (459090)	$436,479	$450,000	$450,000
TOTAL	$693,789	$710,000	$710,000

Fund 2299: Alcoholic Beverage Control Modernization Fund

House Bill 2362 in 2021 created a $20 alcoholic beverage control (ABC) modernization fee to be charged on both initial and renewal liquor license applications. The bill reduces the initial application fee for a liquor license from $50 to $30 plus the $20 modernization fee. The $20 modernization fee is added to the renewal application fee, which will remain at $10. The revenue from the $20 fee will be used for software and equipment upgrades and ongoing maintenance fees associated with the Department of Revenue's licensing, permitting, enforcement, and case management systems.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Other Service Charges (420990)	$54,010	$55,000	$55,000

Fund 2381: Charitable Gaming Regulation Fund

K.S.A. 79-4704 imposes a $.002 tax per face on disposable paper faces to be collected by the distributor and passed on to the licensed organizations. There is also a tax on instant bingo tickets (pull-tabs) equal to 1% of their retail sales price, which is also collected by the distributor and passed on to the licensed organizations. A three percent tax remains on the revenue from the sale of hard cards. A raffle license is required for any organization with gross receipts of $25,000

or more annually. The fee is $25 when annual gross receipts are between $25,000 and $50,000; $50 when annual gross receipts are $50,000 to $75,000; and $100 when annual gross receipts are greater than $100,000. Funds are used exclusively for the administration and enforcement of the statutes and regulations as approved by the administrator of charitable gaming.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Bingo Card Distributor's Tax (413410)	$313,328	$310,000	$310,000
Licenses Fee Bingo Games (421150)	$13,325	$5,000	$5,000
Raffle Registration Receipts (413420)	$4,075	$4,250	$4,250
Call Bingo Games Tax (413400)	$2,710	$2,500	$2,500
TOTAL	$333,438	$321,750	$321,750

Fund 2390: Division of Vehicles Modernization Fund

In FY2022, HB2007 credited $1 (up to $1 million total) of each Vehicle Modernization Surcharge collected on vehicle registrations to this fund to be used to finance the modernization and upgrades of systems and equipment used by the Division of Vehicles. Beginning in FY2023, the $1 of each Vehicle Modernization Surcharge collected is directed to the State Highway Fund and SB267 transfers $1 million from the State General Fund into this fund. It is anticipated to continue into FY2027 through the appropriations bill.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Motor Vehicle Registration (412700)	$0	$0	$0
Operating Transfer In (766010)	$1,000,000	$1,000,000	$1,000,000

Fund 2417: Conversion of Materials and Equipment Fund

Receipts to this fund are generated from the sale of surplus equipment and materials. Items sent to surplus with a sale price of under $500 become funds of the Department of Administration. For surplus items over $500, the KDOR receives 80% of the proceeds.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Salvaged Materials (422500)	$912	$1,500	$1,500

Fund 2428: Forfeited Property Fee Fund

Proceeds are KDOR's share of property seized in joint investigations conducted with federal agencies or cases where currency and/or property are seized from an illegal activity after the

deduction of expenses incurred. Federal law requires that all revenues from property forfeited in this manner must be used for law enforcement purposes.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Other Fines, Penalties, and Forfeitures (454090)	$0	$0	$0

Fund 2617: Setoff Services Revenue Fund

Under K.S.A. 75-6201, the Department of Administration transfers $77,250 from the accounting services recovery fund annually to reimburse administrative costs of recovering amounts due to the State through debt setoff.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Operating Transfer In (766010)	$77,250	$77,250	$77,250

Fund 2663: Publications Fee Fund

This fund was created by K.S.A. 75-5132(b). Amounts deposited are fees charged to recover costs incurred in preparation, printing, and dissemination of bulk orders of tax forms and other forms issued by KDOR. The Division of Vehicles charges drivers' licensing schools and the general public $2 per handbook. Other fees are collected by the Division of Taxation for publications.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
State Publications (422200)	$269,094	$250,000	$250,000

Fund 2683: Child Support Enforcement Contractual Agreement Fund

This annual transfer under a memorandum of understanding from the Social Welfare Fund of the Department of Children and Families is to reimburse administrative expenses of child support enforcement activities as specified in the appropriations bill each year.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Other Service Charges (420990)	$60,000	$60,000	$60,000

Fund 2687: County Treasurer's Vehicle Licensing Fee Fund

In accordance with K.S.A. 8-2425(f), fees received under this section shall be divided equally between the County Treasurer in which the licensed manufacturer or dealer has its established

place of business and KDOR. Amounts deposited to this fund represent half of money received from the sale of motor vehicle dealer full-privilege tags. The annual fee for these tags is $350.50 each. Payments from this fund to Country Treasurers are made quarterly.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Vehicle Registrations (412700)	$225,750	$230,000	$230,000

Fund 2693: Reappraisal Reimbursement Fund

Receipts to this fund are reimbursements to KDOR from counties for employee time and other expenses incurred in connection with special appraisal services provided. Receipts can fluctuate depending on counties' need for assistance with special use properties and requests for special assistance due to County Appraiser vacancies.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Technical and Skilled Services (420200)	$0	$0	$0

Fund 2799: Fleet Rental Vehicle Administration Fund

This fund was created by K.S.A 8-145d(8) and K.S.A. 8-1189 in 2019 to credit $1 from each fleet rental vehicle registration to this fund to cover administrative costs from the Division of Vehicles to process and manage fleet rental registrations.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Commercial Vehicle Fees (412720)	$263,824	$225,000	$225,000

Fund 2816: Commercial Driver's License Drive Test Fee Fund

Moneys credited to the fund are used by the Division of Vehicles to fund the administration and operation of the commercial driver's license drive test. K.S.A. 8-240 states that all commercial class applicants are charged a $15 driving test fee as part of the commercial driver's license application. The additional drive test fee is $10 if the applicant does not pass the initial test.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Motor Vehicle Operator License (421210)	$80,559	$80,000	$80,000

Fund 2852: Taxpayer Notification Costs Fund

K.S.A. 79-2989 directs the Secretary of Revenue to reimburse county clerks for printing and postage costs pursuant to K.S.A. 79-2989, which requires county clerks to notify each taxpayer with property in a taxing subdivision by mail if there is proposed intent to exceed the revenue neutral rate and the date, time, and location of a public hearing related to such proposal. An operating transfer from the State General Fund is directed to this fund and expenditures are reimbursed after certification by the Director of Accounts and Reports through the end of the previous calendar year.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Operating Transfer In (766010)	$1,364,612	$1,350,000	$1,350,000

Fund 2858: License Plate Replacement Fund

Established by K.S.A. 8-1,141(a)(I); blackout license plate authorized by this section, that all plates purchased will pay a $50 fee annually to the Kansas Department of Revenue.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Occupational Licenses, Permits and Regulation (422100)	$1,806,190	$1,810,000	$1,810,000

Fund 2876: Commercial Driver's Education Fund

SB215 was passed in 2022 to transfer authority for postsecondary driver's education programs and driver training schools to the Department of Revenue from the Department of Education. Monies credited to this fund are application fees for driving schools and their instructors and are used to fund the administration and operation of the program.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Occupational Licenses, Permits and Regulation (421110)	$5,425	$5,500	$5,500

Fund 3333: Highway Planning Construction

The Department of Transportation agreed to supplement FHwA funding in increments of $50,000 through the authorization provided under TEA-21 and later via the Safe Accountable Flexible Efficient Transportation Equity Act. This grant is reimbursed by KDOT via an interfund billing process.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Federal Subgrant Transfer In (766050)	$58,689	$31,660	$31,660

Fund 3756: American Rescue Plan State Relief Fund

The American Rescue Plan was passed by Congress in 2021 to provide federal aid to states in response to the COVID-19 pandemic. Funds can be used to provide relief to individuals and businesses from the economic impacts of the pandemic and to make investments in infrastructure to support long-term growth and opportunity.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Federal Subgrant Transfer In (766050)	$0	$0	$0

Fund 3815: State and Community Highway Safety Fund

This fund is to reimburse ABC agents for overtime and travel expenses to provide law enforcement activities directed at non-compliance with Kansas' underage drinking statutes at special events throughout the year across the state including, but not limited to, the Kicker Country Stampede, Fake Patty's Day, Fort Hays Rodeo, large concerts, and local bars and clubs. Federal funds are awarded and received through KDOT and the National Highway Traffic Safety Administration's State and Community Highway Safety grant.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Federal Subgrant Transfer In (766050)	$36,942	$30,000	$30,000

Fund 7668: Special County Mineral Production Tax Fund

Created by K.S.A. 79-4227, seven percent of mineral taxes collected are deposited into this fund and distributed proportionately quarterly to the counties where the production occurred. The other 93% is deposited into the State General Fund. Revenue estimates for FY2026 and FY2027 are calculated by using consensus revenue estimates published in May, 2026.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Severance Tax on Oil (412553)	$1,955,784	$1,900,000	$1,900,000
Severance Tax on Gas (412554)	$448,680	$400,000	$400,000
TOTAL	$2,404,464	$2,300,000	$2,300,000

Fund 7675: Community Improvement District Sales Tax Administration Fund

K.S.A. 12-6a31 established this fund to cover expenses incurred by the Division of Taxation for the administration and enforcement of community improvement district sales tax collection and disbursement. Two percent of all community improvement district sales tax receipts are deposited into this fund to a maximum of $200,000 each fiscal year.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Local Sales Tax (412150)	$200,000	$200,000	$200,000

Fund 7680: County Drug Tax Fund

K.S.A. 79-5201 requires KDOR to remit a portion of the proceeds received in connection with the seizure of unstamped marijuana and controlled substances to local participating law enforcement agencies. The local proportionate share of the amounts collected is 75%. The remainder is deposited to the State General Fund. These estimates are very volatile and are dependent on the amount of drug activity conducted, detected, and the amount of property forfeited.

Revenue Source	FY2026 Actual	Estimated FY2027 Receipts	Estimated FY2028 Receipts
Marijuana (412561)	$85,398	$80,000	$80,000
Controlled Substances (412562)	$213,856	$200,000	$200,000
TOTAL	$299,254	$280,000	$280,000

OFFICE OF THE SECRETARY (ADMINISTRATION)

The Chief Administrative Officer and appointing authority of the Kansas Department of Revenue is the Secretary of Revenue, who is appointed by and serves at the pleasure of the Governor.

The Office of the Secretary is responsible for oversight and administrative support for agency regulatory functions and ensures the agency is fulfilling its mission. The Office of the Secretary is comprised of the following departments:

Office of the Secretary

- Administers KDOR policies and procedures, media relations, and executive oversight of the agency's major programs;
- Assists the Governor's office and legislative staff with policy development and economic forecasting;
- Coordinates media events and generates press releases;
- First point of contact for many telephone and walk-in customers.
- Oversees the Office of Special Investigations, which conducts criminal and administrative investigations and provides fraud-related support to the Division of Vehicles and Division of Taxation. OSI enforcement officers are certified law enforcement officers (K.S.A. 75-5157).

Office of Financial Management

- Manages KDOR's fiscal systems and processes, including accounting, procurement, and budget functions;
- Collects, reconciles, and distributes tax revenues daily to multiple funds at various state agencies;
- Ensures compliance with state accounting statutes and regulations;
- Coordinates, directs, and accurately reports all agency financial transactions recorded in the state accounting system.

Office of Personnel Services/KDOR Learning Center

- Provides human resource services and support including payroll/benefits, employee relations, classification and compensation, personnel policy management, and recruitment;
- Training for KDOR software applications, leadership development, new hire orientation and training;
- Manages curriculum to remain compliant with Internal Revenue Service and Social Security Administration training requirements.

Facility Operations

- Responsible for ordering, receiving, and inventory control of all supplies, commodities, and capital outlay purchased by the agency.

- Provides building lease administration, facilities management, and general support for over 40 office locations throughout the state.

Legal Services/Office of Special Investigations

- Provides legal advice and analysis to the Secretary and department officials regarding agency contracts and legislative matters;
- Represents the agency in litigation;
- Acts as the legal counsel for all administrative and court matters involving taxes, vehicle titles and registrations, drivers' licenses, and personnel matters;

Key Performance Measure I: Litigation Statistics

Type of Action	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Total number of driver's license administrative hearings requested	2894	3056	3100	3150
Total number of driver's license District (De Novo) court cases	191	190	195	200
Total number of administrative tax appeals received needing legal involvement	347	369	380	400
Total number of administrative tax appeals received	1080	1411	1400	1500
Total number of appellate court tax cases	10	13	15	20

Information Services

- Manages the overall planning, development, maintenance, computer processing, and support of the agency's information systems;
- Works closely with OITS for server and network operations, system enhancements and development, and statewide disaster recovery operations;
- Maintains KDOR website and applications.

Office of Policy and Research

- Provides professional research, statistical and economic analysis, educational presentations and publications, and additional services to the Secretary of Revenue, the Kansas Legislature, the citizens of Kansas, and local governments to aid in the implementation of federal, state, and local law;
- Tracks revenue from all sources and estimates future revenue based on policy changes and prior data;
- Analyzes legislative proposals and prepares fiscal notes affecting KDOR;
- Responds to open records requests and is the official records custodian for the agency.

Key Performance Measure II: Fiscal Notes Completed

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Fiscal notes completed	312	269	350	350
% of fiscal notes completed within five working days	86%	94%	80%	80%

RECENT MODERNIZATION EFFORTS

The **Kansas Department of Revenue (KDOR)** continuously audits and modernizes its hardware and software infrastructure through organized lifecycle replacement planning. While this requires a substantial growing annual investment, it remains essential to sustain and support agency operations. These upgrades encompass major and minor internal servers, revenue office desktop equipment, plus the specific hardware and software deployed across Kansas County offices for public drivers license, tag, title, and registration services.

Current initiatives include:

- **Credential Issuance Security:** Modernizing driver's license production and integrating advanced embedded security features to prevent fraud.
- **Collections Automation:** Deploying a new auto-dialer platform within the collections business unit to automate debt recovery and enhance code-base security.
- **Data Protection & Compliance:** Safeguarding IRS, SSA, and Personally Identifiable Information (PII) through rigorous security audits and routine penetration testing to ensure strict compliance with IRS Publication 1075 and SSA mandates.
- **Mainframe Migration:** Completing the final phases of migrating legacy tax data off old mainframe systems to secure, modern computing platforms.
- **System Maintenance:** Administering daily patching and system analysis with updates to ensure seamless alignment across all Department of Revenue business partners.

STAFFING LEVEL

The Office of the Secretary requests authorization for 190.67 FTE positions for FY2027 and FY2028 to continue to provide services at the current level.

Department	FY2027 FTE Positions	FY2028 FTE Positions
Office of the Secretary	10.00	10.00
Office of Financial Management	15.50	15.50
Office of Personnel Services	13.00	13.00
KDOR Learning Center	5.00	5.00
Facility Operations	7.00	7.00
Legal Services	23.12	23.12
Office of Special Invest.	17.00	17.00
Information Services	88.30	88.30
Office of Policy and Research	11.75	11.75
TOTAL	190.67	190.67

EXPENDITURE SUMMARY FOR FY2027 and FY2028:

Account Category	FY2027 Budget Request	FY2028 Budget Request
Salaries and Wages (51000)	$ 19,490,374	$ 20,562,632
Contractual Services (52000-52900)	$ 16,645,401	$ 17,604,771
Commodities (53000-53900)	$ 161,939	$ 161,939
Capital Outlay (54000)	$ 144,052	$ 144,052
TOTAL	$ 36,441,766	$ 38,473,394

51000: Salaries and Wages

Employee salary and employer benefit costs for 190.67 FTE positions.
FY2027: $ 19,490,374
FY2028: $ 20,562,632

52000-52900: Contractual Services

Major expenditures in this category include OITS communication costs (phone and data services), building rental costs, monumental building surcharge, hardware maintenance and software license agreements, data center service agreement, contract lawyer fees for complex litigation,

court report fees, dues to the Multi-State Tax Commission (MTC) and Federation of Tax Administrators (FTA), and employee travel costs for conferences, training, legal proceedings, and speaking engagements.

FY2027: $ 16,645,401
FY2028: $ 17,604,771

53000-53900: Commodities

Expenditures in this category include office supplies, software and hardware orders costing less than $500, gasoline costs for agency travel, and other miscellaneous supplies.

FY2027: $ 161,939
FY2028: $ 161,939

54000: Capital Outlay

This expenditure category includes hardware and software purchases over $500 used to maintain KDOR's technical resources.

FY2027: $ 144,052
FY2028: $ 144,052

AID TO LOCAL GOVERNMENTS

This program provides for the distribution of certain state-collected taxes and fees to local units of government. Local aid distributions include:

- Sand royalties;
- Fees collected from the sale of full-privilege motor vehicle dealer license tags;
- Mineral production taxes and assessments of delinquent taxes;
- Penalties imposed for nonpayment of taxes on marijuana and controlled substances; and
- Reimbursement to county clerks for postage and mailing costs to comply with K.S.A. 79-2989.

The main goal of the Aid to Local Governments program is to be accountable for the distribution of aid payments to local units of government and ensure that all aid payment distributions are made on or before the scheduled distribution dates.

Table I: Local Aid Distribution

Local Aid Distribution	FY2026 Actual Distribution
Sand Royalty Tax Fund	$ -
County Treasurers Fund	$ 225,750
Special County Mineral Production Fund	$ 2,288,533
County Drug Tax Fund	$ 228,388
Taxpayer Notification Costs Fund	$ 1,364,612
TOTAL	**$ 4,107,283**

PROGRAM REVENUE SOURCES:

Sand Royalty Fund—$.15/ton paid by entities taking sand, gravel, or minerals beneath the bed of any state-owned river. After deducting administrative expenses, 75% of balance is deposited into State Water Plan Fund and remainder is distributed to the district where sand was removed (2/3) and to other districts in county that front the river (1/3). Funds must be used to clean/maintain waterways, keeping them clear of obstructions that might cause flooding or overflow. No distribution provided due to expenses being greater than receipts.

County Treasurers Fund—Half of the proceeds from the sale of full-privilege license plates to manufacturers and vehicle dealers. County Treasurers receive a portion of proceeds from manufacturers/dealers whose business is located in that county.

Special County Mineral Production Fund—Excise tax imposed for the severance and production of coal, oil, or gas severed from the earth or water in Kansas. The current rate is 8% of gross value oil or gas severed and $1 per ton of coal produced. Seven percent is deposited into this fund and distributed to the county where such action took place. The remainder is credited to

the State General Fund. Of the county distribution, 50% is credited to the county general fund and the 50% goes to school districts within the county.

County Drug Tax Fund—Dealers violating the tax provisions of marijuana and other controlled substances must pay delinquent taxes and a 100% tax penalty. Twenty-five percent of all monies collected go to the State General Fund. The remaining 75% goes to the governmental entity whose law enforcement agency conducted the investigation. Amounts remitted to local governments must be credited to a special law enforcement trust fund to be used for law enforcement and criminal prosecution purposes only.

Taxpayer Notification Cost Fund—reimbursements sent to county clerks for postage and printing costs related to K.S.A. 79-2988 through FY2026, which requires county clerks to notify by mail each taxpayer with property in a taxing subdivision if there is proposed intent to exceed the revenue neutral rate and the date, time, and location of a public hearing related to such proposal.

EXPENDITURE SUMMARY FOR FY2027 and FY2028:

Account Category	FY2027 Budget Request	FY2028 Budget Request
State Aid to Local Units (55000-55900)	$ 4,255,000	$ 4,255,000
TOTAL	$ 4,255,000	$ 4,255,000

55000: State Aid to Local Units

This amount is the estimated total to be remitted to local units of government, dependent of the amount of activity and receipts received. Expenditures are based consensus revenue estimates, quarterly distribution schedules, and reimbursements requests received from county clerks.

FY2027: $ 4,255,000
FY2028: $ 4,255,000

ALCOHOLIC BEVERAGE CONTROL

The Alcoholic Beverage Control (ABC) program regulates all phases of the manufacture, distribution, sale, and possession of alcohol in the State of Kansas. This program encompasses many duties, including the following:

- Protects the public health, safety and welfare through effective regulation of the liquor industry;
- Ensures that businesses who import alcoholic liquor or cereal malt beverages meet statutory licensing requirements;
- Provides information to licensees on how to remain in compliance, including industry handbooks and an informational website;
- Enforces the Liquor Control Act and the Club and Drinking Establishment Act;
- Educates liquor licensees on current laws and regulations;
- Detects and resolves licensee violations and provides support for licensee investigations;
- Provides training to local law enforcement agencies on how to conduct underage investigations, how to identify fake IDs, and other-service violations; and
- Partners with grass-roots organizations interested in protecting the safety of youth related to alcohol products.

PROGRAM GOALS

The ABC division continues to place an emphasis on customer service, helping licensees be compliant with liquor laws, and improving division efficiencies and services. The Division strives to make it as easy as possible to voluntarily comply with liquor laws by providing educational training to licensees and to protect public safety by performing random controlled buys to increase compliance rate for the sale of alcohol to underage persons. The Division also contributes to and protects the integrity of KDOR revenue streams by monitoring the filing and remittance of taxes on the sale of alcoholic beverages.

Table II: License Statistics

License Type	As of 6/30/2024	As of 6/30/2025	As of 6/30/2026
Liquor License	4,991	5,007	4,990
Cereal Malt Beverage Stamps	2,290	2,507	2,808
Temporary Permits	845	875	1,075
Supplier Permits	1,348	1,321	1,277
TOTAL	9,474	9,710	10,150

The Investigation and Enforcement team in ABC provides investigative services necessary to effectively enforce Kansas liquor laws and promotes the highest degree of compliance with state laws and regulations administered by the Director of ABC and KDOR. The Chief Enforcement Officer, supervisors, and enforcement agents are all state certified law enforcement officers and works with local law enforcement agencies and support groups with

training and expertise on limiting underage alcohol violations. ABC promotes positive working relationships with external stakeholders to increase compliance rates for the sale of alcohol to underage persons.

Enforcement agents present investigations resulting in alleged administrative violations to the ABC Assistant Attorney General (AAG) for potential administrative action against the licensee. They also present cases of alleged criminal violations to the county or district attorney for possible criminal prosecution against the individual suspect.

Key Performance Measure III: Compliance and Education Statistics

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Number of random controlled buys performed	1248	890	1000	1000
Percent of licenses issued within the statutory timeframe	100%	100%	100%	100%
Face-to-face training sessions completed within 14 days of new liquor license issue date	99%	99%	100%	100%

Key Performance Measure IV: Compliance for Controlled Buys

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Compliance rate for the controlled buys for the sale of alcohol to underage persons	89%	87.5%	90%	93%

ABC works with the Division of Taxation to ensure licensee compliance with the Liquor Enforcement Tax Act and the Liquor Drink Tax Act. ABC also administratively prosecutes licensee tax violations and can assess fines and penalties in addition to taxes owed.

Table III: Liquor Tax Enforcement Actions

Type of Action	As of 6/30/2024	As of 6/30/2025	As of 6/30/2026
Licensees with Liquor Enforcement Tax violations	25	22	18
Licensees with Liquor Drink tax violations	208	168	75

DRUG TAX ENFORCEMENT

ABC enforcement agents enforce the tax on illegal drugs across the state by issuing drug tax assessments, executing tax warrants and securing property from drug tax violators to satisfy the

drug tax debt. A minimum assessment of $1,000 was established by the division of taxation who is responsible for collecting the tax; 36 drug tax assessments were issued in 2026.

TAXES AND FEES COLLECTION/DISTRIBUTION IN FY2026

In FY2026, ABC collected $25,482,575 in gallonage taxes and $6,032,987 in permit, license fees, fines, and registration fees. $27,875,956 from all fees was deposited into the State General Fund. The remainder is used for alcohol treatment and prevention programs.

HB2362 established the ABC Modernization Fee Fund in FY2019. This bill authorizes a $20 modernization fee to be charged to new and renewal liquor license applications. Fees collected are used for the ongoing maintenance of POSSE ABC, used for licensing, case management, and enforcement tracking. The Division also offers online services for renewal applications, label registration, and fine payments. In 2026, 97.8% of all applications were submitted online.

STAFFING LEVEL

The Alcoholic Beverage Control (ABC) program requests authorization for 38.50 FTE positions. ABC Administration is responsible for issuing liquor licenses, statutory and regulatory review of administrative cases relating to licensee violations and tax compliance inspections. The Investigation and Criminal Enforcement team performs investigative functions for licensee violations and controlled buy investigations to encourage compliance with laws prohibiting the sale of alcohol to underage persons.

EXPENDITURE SUMMARY FOR FY2027 and FY2028:

Account Category	FY2027 Budget Request	FY2028 Budget Request
Salaries and Wages (51000)	$ 3,410,602	$ 3,595,563
Contractual Services (52000-52900)	$ 575,550	$ 584,045
Commodities (53000-53900)	$ 80,425	$ 85,425
Capital Outlay (54000)	$ 15,450	$ 70,450
TOTAL	$ 4,082,027	$ 4,335,483

51000: Salaries and Wages

Employee salary and employer benefit costs for 38.50 FTE positions. Also includes temporary employee wages and overtime for seasonal periods of heavy workload.

FY2027: $ 3,410,602
FY2028: $ 3,595,563

52000-52900: Contractual Services

The major expenditures in this category are communication costs, building space rental, vehicle maintenance costs, and licensing/support fees for the POSSE ABC database system, the Division's licensing, case management, and enforcement tracking software. Other costs include travel for inspections, conferences/training, registration fees, and information system consulting costs.

FY2027: $ 575,550
FY2028: $ 584,045

53000-53900: Commodities

Expenditures in this category include law enforcement equipment/clothing for enforcement agents, gasoline, vehicle supplies, and general office supplies.

FY2027: $ 80,425
FY2028: $ 85,425

54000: Capital Outlay

This expenditure category includes computer equipment and law enforcement equipment costing more than $500.

FY2027: $ 15,450
FY2028: $ 70,450

DIVISION OF TAXATION

The Division of Taxation administers almost all state taxes, including individual and corporate income, retail sales and compensating use, mineral severance, motor fuel, cigarette, and alcoholic beverage excise taxes. The Division also administers the Homestead Property Tax and Food Sales Tax refunds. For local governments, the Division administers retail sales, compensating use, liquor excise, and transient guest taxes.

To carry out these duties, the Division of Taxation is comprised of the following departments:

Tax Operations Administration

- Provides management and oversight to the entire Division;
- Administers tax laws for the State of Kansas.

Customer Relations

- Provides effective account management to promote voluntary compliance with state laws through education and excellent customer service;
- Operates the Taxpayer Assistance Center, which is responsible for processing and completing all business registrations/tax applications and serves walk-in customers with tax questions.

Cigarette and Tobacco Enforcement Team

- Protects minors through education and assistance to tobacco licensees;
- Conducts statewide cigarette and tobacco enforcement activities aimed at reducing sales of cigarettes and tobacco products to minors;
- Ensures compliance with terms of the Master Settlement Agreement (MSA), FDA federal guidelines, and the Synar Agreement.

Revenue Recovery

- Responsible for helping Kansas taxpayers understand their tax obligations;
- Collects all types of delinquent taxes;
- Maintains agency level accounts receivable reporting;
- Administrator of the statewide tax clearance program.
- Assists, educates, and encourages customers to comply with Kansas tax laws and seeks resolution of tax debts that have not been resolved through the front-end collections process;
- Conducts field investigations, collects delinquent taxes and missing returns, on-site visits, and pursues civil tax enforcements.

Financial and Document Management

- Processes paper returns and payments received through regular mail;
- Provides education and customer service to encourage electronic filing.

Audit Services

- Conducts audits to verify the taxpayer has filed returns properly and paid the correct amount of tax through several processes:
    - File analysis (in-house review)
    - Field audits (on-site review of appropriate records)
    - Desk audits (written correspondence and exchange of information)
    - Self-audits (taxpayer audits last three years and sends schedule of errors; avoids 50% of penalties and interest using this method)
    - Sales tax refund reviews (quality review for accuracy and supporting documentation)

Business Support Services

- Defines, implements, and supports the movement of information to and collecting information and payments from KDOR customers;
- Extracts information from web-based software, tax filing applications, reports for remitting payments and fees, and paper-to-digital conversion of all paper returns, documents, and payments received;
- Quality assurance and monitoring of multiple KDOR systems to ensure data integrity;
- Design/development of new applications for processing and reconciliation of tax returns.

PROGRAM GOALS

Administer and enforce tax laws with integrity, fairness, and civility. Increase voluntary compliance with tax laws through educational opportunities and the application of strategic decision/risk management processes to support and effective discovery and collection programs. Reduce accounts receivable and ensure prompt resolution by applying the latest best practices and latest technology in automation. Enforce laws relating to the sale of cigarette and tobacco products. Continually use new technologies and systems to reduce paper-based processing.

Table IV: Total Funds Received at the Kansas Department of Revenue (in millions)

	FY2023	FY2024	FY2025	FY2026
Tax Receipts	$13,124	$12,884	$12,879	$13,111
Other Revenue	$355	$359	$399	$376
Less: Refunds	($736)	($966)	($1,129)	($1,388)
TOTAL FUNDS RECEIVED	$12,743	$12,277	$12,149	$12,099

ELECTRONIC WEB FILING

KS Web File is available for filing individual income tax returns electronically. The KDOR Customer Service Center provides for the filing of withholding, sales/use, employee payroll data, and liquor taxes. It also provides an electronic funds transfer (EFT) payment management system, county payment portal, Sales Tax Exemption Certificate application, and refundable credit application. These systems have streamlined the return filing and payment process. Attributes of the system

provide KDOR Customer Relations associates with tools that query, retrieve, and display information that is useful in the processing and reconciling of sales and use tax returns.

Chart I: Historical Data of Individual Income Tax Returns Filed

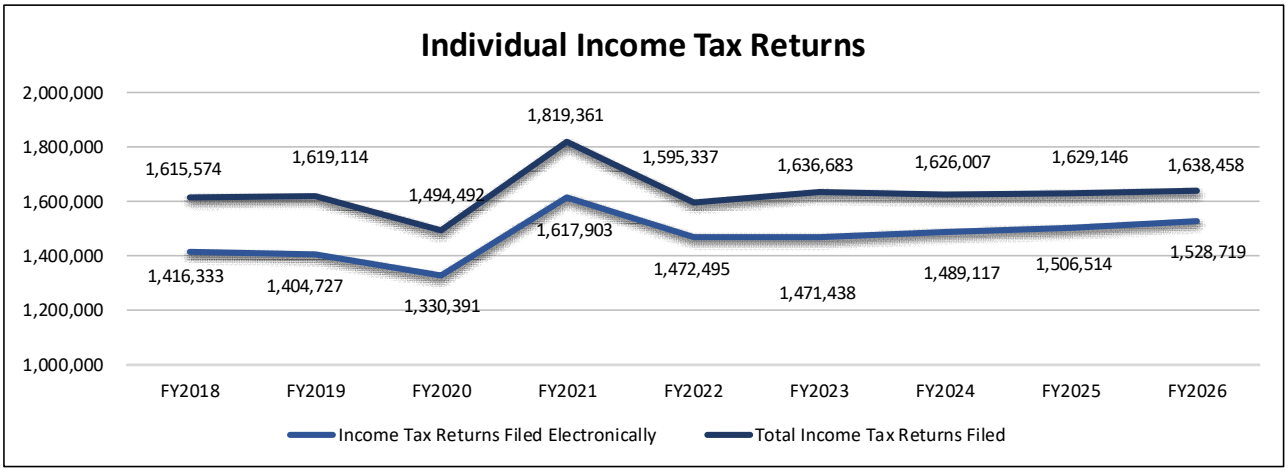
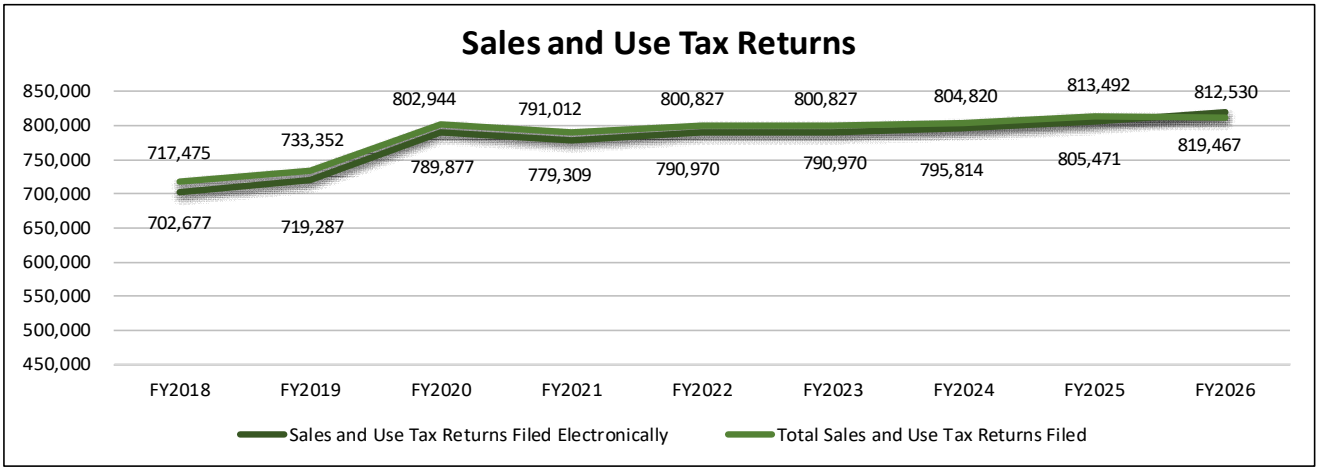


Chart II: Historical Data of Individual Income Tax Returns Filed



Key Performance Measure V: Electronic Transmission Percentages by Year

	FY2024 Actual	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Percentage of electronic individual income tax returns filed electronically	93%	93%	94%	94%	95%
Percentage of sales and use tax returns filed electronically	98%	98%	99%	99%	99%
Percentage of tax payments received electronically	84%	88%	90%	91%	92%
Percentage of electronically filed individual income tax return refunds issued within 14 days of receipt	92%	93%	91%	92%	92%

CUSTOMER SERVICE, EDUCATION, AND ACCOUNT MANAGEMENT

The Customer Relations team provides timely account management and service for approximately twenty types of taxes to ensure accuracy, completeness, and compliance with Kansas statutes and regulations. This area also provides answers to Kansas taxpayers by telephone, written correspondence, or walk-in customers who visit the Taxpayer Assistance Center (TAC). The TAC processes and completes all business registrations, assists customers on established tax accounts and tax laws and regulations, performs account adjustments and business closures, and offers support in the preparation of original and amended tax returns for current and past years. A secure chat feature is now live to assist customers online.

Table V: Customer Relations Performance

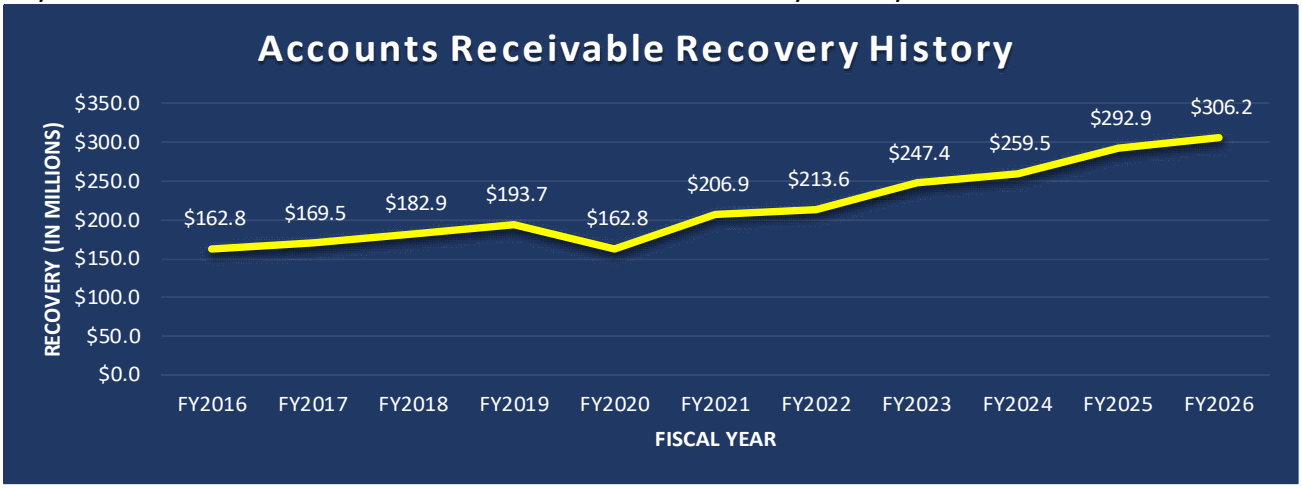
	FY2023	FY2024	FY2025	FY2026
Number of calls received	239,345	242,436	254,614	251,070
Percentage of calls answered	95%	94%	93%	93%
Number of written correspondence received	16,362	10,770	12,896	14,670
Percentage of written correspondence resolved within 30 days	78%	88%	91%	73%
Number of business applications received	5,865	5,744	5,570	5,541
Percentage of business applications processed in three days or less	97%	93%	97%	98%

IDENTIFICATION AND COLLECTION OF UNPAID TAXES

Compliance with Kansas tax laws and the payment of tax obligations preserves the integrity of the Kansas taxation system. Most customers pay their taxes on time and require no special assistance from KDOR. The Revenue Recovery team identifies taxpayers who fail to report taxes, underreport taxes, or underpay taxes through preventative or curative compliance programs. Efforts are made to collect delinquent taxes and missing tax returns through educational visits, field inspections, or investigative collection processes. Civil actions, wage garnishments, bank levies, cash and/or asset seizure, and bankruptcy court proceedings are used as remedies to collect unpaid tax debts.

Overall, delinquent tax collections for FY2026 were $306.2 million, an increase of $13.3 million over FY2025. The Revenue Recovery team collected $0.948 out of every dollar referred to the unit in FY2026.

Key Performance Measure VII: Accounts Receivable Recovery History



CIGARETTE AND TOBACCO REGULATION AND ENFORCEMENT

The objective of the Cigarette and Tobacco Enforcement (CATE) and Master Settlement Agreement (MSA) teams in the Customer Relations unit is to license cigarette and tobacco retailers, enforce laws relating to the sale of cigarette and tobacco products, including sales to minors, and to verify licensee compliance with the Cigarette and Tobacco Act and the Consumer Protection Act for Cigarette and Tobacco Sales as part of the MSA. Other enforcement activities related to the MSA include tribal compact compliance and internet and black-market sales of non-compliant cigarettes into Kansas.

Table VI: Cigarette and Tobacco License Types

License Type	FY2024	FY2025	FY2026	Renewal Schedule
Tobacco Distributor	174	179	175	Annually
Wholesale Cigarette Dealer (Distributor)	67	61	63	Bi-Annually
Retail Cigarette Dealer	3,464	3,291	3,619	Bi-Annually
Vending Machine Operator	27	28	33	Bi-Annually
Vending Machine Permit	22	44	21	Bi-Annually

Another main goal of the program is to protect the health of minors and increase compliance for underage buy violations. The CATE team contracts with KDADS to provide underage enforcement and administrative prosecution services under the Synar Agreement to receive federal substance abuse prevention and treatment block grants. Underage Cooperating Individuals (UCIs) who work for the CATE team conduct buy attempts and must maintain an 80% compliance rate to continue to receive funding. An additional agreement with the FDA is also in place to promote compliance with federal regulations pertaining to the advertising and sales of tobacco products to youth. All youth accessible retail cigarette licensees are visited annually to ensure they are not selling to minors.

Key Performance Measure VIII: Controlled Buy Compliance Statistics

	FY2024 Actual	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Number of controlled buys performed by CATE inspectors	1,804	2,335	3,340	2,500	2,500
Compliance rate for random controlled buys for the sale of cigarette/tobacco products to minors	94%	94%	93%	90%	90%

The unit is responsive to complaints about cigarette violations from the public and members of the industry. Enforcement responds to requests for assistance in helping cigarette licensees comply (ie. fake ID seminars and training). Various types of enforcement tools, such as surveillance, site visits to stores and establishments, and cooperation with local law enforcement task forces are used to maintain compliance as well as the use of UCIs and Synar Agreement compliance monitoring.

AUDIT ACTIVITY

A major objective of the Kansas system of taxation is to be fair to all taxpayers. A strong audit presence for the review of taxpayers' records ensures tax obligations have been fulfilled in accordance with the law. The audit selection process focuses attention and resources where data suggests there may be non-compliance with Kansas tax laws. In addition to field audits,

KDOR has steadily increased the use of self-audits to enhance voluntary compliance. Taxpayers selected for audit are treated fairly and courteously. Every effort is made for the taxpayer to fully understand any reporting errors and how to correctly file in the future.

Key Performance Measure VI: Completed Audit Activity by Type

Activity	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Corporate Income Tax File Analysis	221	140	200	200
Corporate Income Tax Audits	27	19	26	26
Vehicle Tax Audits	87	180	162	162
Sales and Excise Tax Audits	162	238	236	236
Mineral Tax Audits	0	0	0	0
Historical Credits Reviewed	15	8	12	12
Self-Audit/Direct Bill letters issued	345	630	1250	1250
Refund Reviews	1007	2011	2200	2200
Voluntary Disclosures	191	181	200	200

STAFFING LEVEL

The Division of Taxation requests authorization for 422.28 FTE positions for FY2027 and FY2028 to maintain services at current levels.

Department	FY2027 FTE Positions	FY2028 FTE Positions
Tax Operations Administration	5.50	5.50
Customer Relations	130.00	130.00
Cigarette and Tobacco Enforcement	21.00	21.00
Revenue Recovery	126.63	126.63
Financial and Document Management	45.00	45.00
Audit Services	53.65	53.65
Business Support Services	40.50	40.50
TOTAL	422.28	422.28

EXPENDITURE SUMMARY FOR FY2027 and FY2028:

Account Category	FY2027 Budget Request	FY2028 Budget Request
Salaries and Wages (51000)	$ 33,220,295	$ 35,501,148
Contractual Services (52000-52900)	$ 6,013,556	$ 6,051,848
Commodities (53000-53900)	$ 173,459	$ 173,458
Capital Outlay (54000)	$ 16,500	$ 16,500
TOTAL	$ 39,423,810	$ 41,742,954

51000: Salaries and Wages

Employee salary and employer benefit costs for 422.28 FTE positions. Also includes temporary employee wages and overtime during periods of heavy workload during tax return processing season.

FY2027: $ 33,220,295
FY2028: $ 35,501,148

52000-52900: Contractual Services

The major expenditures in this category are communication costs (postage and state printer costs), building space rental in leased property and state-owned buildings, technical services, licensing/support costs for tax administration software, and travel costs (both in-state of out-of-state) for audits, recovery activities and training/conferences. Other costs include fees due per tribal compacts as part of the Master Settlement Agreement (MSA).

FY2027: $ 6,013,556
FY2028: $ 6,051,848

53000-53900: Commodities

Expenditures in this category include gasoline for employee travel, general office supplies, data supplies, decals for various permits, and cigarette tax stamps.

FY2027: $ 173,459
FY2028: $ 173,458

54000: Capital Outlay

This expenditure category includes computer equipment and hardware costs to maintain KDOR tax administration and remittance systems.

FY2027: $ 16,500
FY2028: $ 16,500

PROPERTY VALUATION DIVISION

The Property Valuation Division (PVD) provides overall supervision, training and education, assistance and support, and reporting for the Kansas ad valorem property tax system. The Director of Property Valuation has general supervision and direction of the county assessors in their duties and the system of taxation throughout the state. The PVD program has many duties, encompassing the following:

- Provides county assistance, guidelines, and rules for a uniform valuation system to local officials responsible for the valuation and assessment of property for tax purposes, including personal property, oil and gas, and agricultural use;
- Annual reporting of property assessments and taxes for all 105 counties in Kansas;
- Educates county appraisers and other local officials and provides on-site and classroom valuation and assessment training;
- Administers the Computer Assisted Mass Appraisal System (CAMA), providing each county with the tools needed to value real property in its jurisdiction;
- The annual appraisal, assessment, and distribution of value for approximately 450 public utility companies operating to, from, through, or in Kansas; and
- Prepares the annual sales/assessment ratio study that statistically measures the accuracy and uniformity of appraisals.

PROGRAM GOALS

Provide counties, taxpayers, and staff with clear, useful, and accessible rules for valuing property. Provide education for county appraisers and officials, taxpayers, and staff regarding the valuation of property and other tax-related issues. Ensure that uniform and accurate valuations and assessments occur.

The CAMA system is crucial to statewide uniform appraisals and assessments. It provides each county with the tools needed to value real property in its jurisdiction each January 1st. PVD staff maintains the CAMA system and provides state and county personnel training on its use through training courses and workshops, in-depth procedural manuals, and user meetings to address and resolve system functionality issues.

PVD also conducts an annual independent review of county appraisal procedures to ensure compliance with Kansas laws, rules and regulations, and related policies. This includes maintaining an independent annual sales ratio study in compliance with the requirements of the Kansas Real Estate Ratio Study Act and conformance with accepted mass-appraisal industry standards.

Key Performance Measure IX: Qualified Appraisers in Kansas

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Number of counties with qualified appraisers	103	105	105	105

Another objective of the Division is to assure that 99% or more of residential and 97% or more of commercial property in the State is in statistical compliance. Extra guidance is provided to counties failing to meet these requirements through additional training and development opportunities, with a goal of compliance within two years. PVD staff is continuing to work with county officials to restore compliance within an acceptable timeframe.

Key Performance Measure X: State Appraisal Statistical Compliance Standards

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Percent of residential valuations meeting state appraisal statistical compliance standards	98%	98%	98%	98%
Percent of commercial valuations meeting state appraisal statistical compliance standards	92%	43%	95%	95%

The Public Utilities section annually determines the fair market value of all property of every public utility that is allocated to the State of Kansas and distributes the proper apportionment of value to the appropriate tax units within the state and certifies the assessed valuations to the counties. Defense and explanation of public utility values is required during the annual appeals process and may require expert testimony from staff and outside sources during formal litigation.

Table VII: Public Utility Statistics by Year

	Actual FY2025	Actual FY2026	FY2027 Estimate	FY2028 Estimate
Public utility appraisals/companies	320	320	320	320
Tax dollars generated from distribution to counties based on assessed value	$722.6M	$737.1M	$751.8M	$766.8M
Appraised value of utility companies	$249.3B	$254.3B	$259.4B	264.6

STAFFING LEVEL

The Property Valuation Division requests 39.50 FTE positions for FY2027 and FY2028 to maintain current service levels for the supervision, administration, and reporting for the Kansas ad valorem property tax system.

EXPENDITURE SUMMARY FOR FY2027 and FY2028:

Account Category	FY2027 Budget Request	FY2028 Budget Request
Salaries and Wages (51000)	$ 3,370,505	$ 3,558,444
Contractual Services (52000-52900)	$ 2,318,801	$ 2,406,301
Commodities (53000-53900)	$ 24,904	$ 24,904
Capital Outlay (54000)	$ 8,000	$ 8,000
TOTAL	$ 5,722,210	$ 5,997,649

51000: Salaries and Wages

Employee salary and employer benefit costs for 39.50 FTE positions.
FY2027: $ 3,370,505
FY2028: $ 3,558,444

52000-52900: Contractual Services

The major expenditures in this category are communication costs, building space rental in leased property, licensing/support fees for the mass appraisal system (CAMA) and ORKA (public access to property data), professional fees to Kansas State University for the agricultural land use value reporting, and travel costs in-state for on-site assistance and technical support to county offices.
FY2027: $ 2,318,801
FY2028: $ 2,406,301

53000-53900: Commodities

Expenditures in this category include gasoline for in-state travel, general office supplies, and data supplies (under $500).
FY2027: $ 24,904
FY2028: $ 24,904

54000: Capital Outlay

This expenditure category includes computer equipment and software/hardware costs for operating system upgrades and maintenance to the CAMA appraisal system.
FY2027: $ 8,000
FY2028: $ 8,000

DIVISION OF VEHICLES

The Division of Vehicles administers Kansas law relating to vehicle titling and registration, motor vehicle dealer licensing, and the issuance, maintenance, and renewal of drivers' licenses.

To carry out these duties, the Division of Vehicles is comprised of the following departments:

Division of Vehicles Administration

- Management and oversight of the Division;
- Grants and contract management;
- Quality assurance for Division of Vehicles call centers.

Vehicle Services

- Administers Kansas law relating to vehicle titling and registration of all motor vehicles, automobile dealers and salespersons, and registration of commercial motor vehicles;
- Issues certificates of title, records/verification requests, disabled placards, and specialty and personalized license plates. Provides support to all 105 county treasurers who act as agents of the State in processing vehicle titles and registrations. Maintains the MVS system and administers the KS Web Tags application for online vehicle registration renewals;
- Licenses and monitors approximately 3,000 new and used vehicle dealerships, 4,500 salespersons, and 300 manufacturers, distributors, converters, and manufactured home dealers for compliance with federal and state statutory requirements;
- Processes lien and lien releases related to dealers and the public;
- Vehicle registration for all commercial vehicles, issues oversize/overweight and other temporary permits required by law, and administration of policies and procedures established by the International Registration Plan (IRP).

Driver Services

- Conducts driver's license examinations required for the issuance and renewal of drivers' licenses and includes the commercial driver's license program;
- Issues identification documents according to federal and state guidelines.
- Maintenance of driving privileges and the suspension, revocation, and reinstatement of licenses for traffic-related violations and medical reasons.

PROGRAM GOALS

Provide exceptional service to customers, business partners, and stakeholders. Ensure information is presented in a consistent, efficient manner. Monitor business needs closely and adjust staffing to maintain quality service levels. Motivate and empower Division of Vehicles associates through cross-training and continuous learning and development.

A goal for the Vehicle Services unit is to continue to improve consistency in service delivery statewide. We continue to identify methods and technologies to improve efficiency for both internal and external customers, including county partners, lenders, and dealers.

Key Performance Measure XI: Titles and Registration Processing Statistics

Activity	CY2025 Actual	CY2026 Estimate	CY2027 Estimate	CY2028 Estimate
Title applications processed at the county level	642,755	773,787	793,132	808,994
Number of mail and walk-in registration renewal applications received and processed at county treasurers	1,938,854	1,958,242	1,977,824	1,997,602
Number of online or mobile app registration renewal applications received and processed at county treasurers	785,510	797,293	809,252	821,391

Vehicle Services also manages the KS E-Lien and Dealer Licensing applications, which assists in the licensing and regulation of dealerships, manufacturers, and salespersons annually. This unit also processes liens and lien releases related to dealers and the general public. A goal of the unit is to improve customer service through servicing of dealer accounts and transfer of lien data from vehicle dealers and lenders to KDOR systems electronically.

COMMERCIAL MOTOR VEHICLES

The Commercial Motor Vehicle (CMV) Office continues to partner with the Kansas Highway Patrol, the Kansas Department of Transportation, and Kansas Corporation Commission to create an information network that will enhance efficiency, safety, compliance, and enforcement for commercial vehicle operations. The Division is working to continue to increase the number of counties offering CMV services.

Key Performance Measure XII: Driver Services Statistics by Year

Activity	CY2024 Actual	CY2025 Actual	CY2026 Estimate	CY2027 Estimate	CY2028 Estimate
Number of active drivers' licenses	2,015,313	2,034,016	2,043,216	2,047,216	2,048,766
Number of active commercial drivers' licenses	112,513	113,012	114,112	114,362	114,474
Number of licenses/ID cards processed	704,275	736,654	730,700	710,950	735,800

The Driver Services unit supports the statewide effort to have safe drivers on Kansas roadways and focuses on providing excellent customer service and a pleasant experience at driver's license station locations across the state.

Key Performance Measure XIII: Driver Solutions Statistics

Activity	CY2024 Actual	CY2025 Actual	CY2026 Estimate	CY2027 Estimate	CY2028 Estimate
Number of inbound calls	174,136	176,692	175,414	176,053	175,734
Number of calls handled	139,381	126,998	133,190	130,094	131,642
Percent handled	80%	87%	84%	86%	85%
Number of licenses withdrawn	53,136	56,705	54,921	55,813	55,367
Number of licenses suspended due failure to comply	18,911	17,023	17,967	17,495	17,731
Number of licenses restricted	11,989	19,734	15,862	17,798	16,830

REAL ID

The REAL ID Act was passed by Congress in 2005 to establish minimum security standards for state-issued drivers' licenses and identification cards. Travelers are required to provide a REAL ID or another TSA-approved form of identification to fly on or after May 7, 2025. Over 87.1% of Kansas driver's license and ID card holders have a REAL ID.

ONLINE/OTHER SERVICES

Many online services are offered by the Division of Vehicles, including the scheduling of appointments for driver's license offices, online renewals for vehicles and driver's license/ID cards, and online address changes. The Division of Vehicles partners with PayIt to provide a single mobile app for Division of Vehicles services on the iKan platform, which allows customers to do both vehicle and driver's licenses renewal transactions online, saving a trip to a local office for service. Over 298,269 drivers/ID card holders have opted-in to have electronic notification of license renewal information.

The Division is also currently researching mobile driver's license and identification cards. This optional service will allow residents to manage their identity with a digitized version of driver's license and identification cards carried on a mobile device. Other states have estimated this is a four to five-year project for full implementation. Currently, twelve states have implemented mobile licenses/ID cards and another six are in process.

Finally, the Division has partnerships with AAA Kansas, the Kansas Department of Corrections, and the Wichita Police Department and has assisted almost 3,000 Kansas residents with renewals and the issuance of identification cards. The Mobile Unit team offers driver's license services at universities, senior centers, and CDL events.

Key Performance Measure XIV: Average Wait Time at Largest Driver's License Stations

Location	CY2024 Actual	CY2025 Actual	CY2026 Estimate	CY2027 Estimate	CY2028 Estimate
Andover	8:15	9:19	6:42	6:15	6:15
Lawrence	5:34	9:53	6:06	6:30	6:00
Mission	10:18	22:51	18:06	17:00	12:00
Olathe	18:40	10:16	13:05	11:00	10:00
Overland Park	19:04	17:32	11:19	11:35	11:00
Topeka	3:47	7:48	12:04	10:00	8:00
Wichita Twin Lakes	7:45	3:24	19:00	15:00	11:00
Wichita West	10:00	16:21	13:25	13:00	12:00

STAFFING LEVEL

The Division of Vehicles requests authorization for 330.20 FTE positions in FY2027 and FY202 for the Division to continue providing services at the current level.

Department	FY2027 FTE Positions	FY2028 FTE Positions
Division of Vehicles Administration	16.00	16.00
Vehicle Services	42.00	42.00
Driver Services	272.20	272.20
TOTAL	330.20	330.20

EXPENDITURE SUMMARY FOR FY2027 and FY2028:

Account Category	FY2027 Budget Request	FY2028 Budget Request
Salaries and Wages (51000)	$ 23,976,642	$ 25,689,401
Contractual Services (52000-52900)	$ 13,806,543	$ 14,080,670
Commodities (53000-53900)	$ 4,523,149	$ 4,547,149
Capital Outlay (54000)	$ 255,150	$ 50,150
TOTAL	$ 42,561,484	$ 44,367,370

51000: Salaries and Wages

Employee salary and employer benefit costs for 330.20 FTE positions. Also includes seasonal temporary employee wages during periods of heavy workload.

FY2027: $ 23,976,642
FY2028: $ 25,689,401

52000-52900: Contractual Services

The major expenditures in this category are production, printing, and postage costs for mailing of drivers' licenses, license plates, handbooks, and renewal notices. Also includes building space rental, utilities, janitorial costs for driver's license stations statewide; licensing and support fees for the KCOVRS cashiering and queueing systems; and travel costs for employees who work at multiple sites or mobile units and training/conference expenses.

FY2027: $ 13,806,543
FY2028: $ 14,080,670

53000-53900: Commodities

Expenditures in this category include production costs for license plate inventory, title stock, general office supplies, and gasoline for in-state travel.

FY2027: $ 4,523,149
FY2028: $ 4,547,149

54000: Capital Outlay

This expenditure category includes office furniture and equipment and computer software and hardware costs. FY2027 includes costs to become ADA compliant at all driver license stations.

FY2027: $ 255,150
FY2028: $ 50,150

SUMMARY OF KEY PERFORMANCE MEASURES

Key Performance Measure I: Litigation Statistics

Type of Action	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Total number of driver's license administrative hearings requested	2894	3056	3100	3150
Total number of driver's license District (De Novo) court cases	191	190	195	200
Total number of administrative tax appeals received needing legal involvement	347	369	380	400
Total number of administrative tax appeals received	1080	1411	1400	1500
Total number of appellate court tax cases	10	13	15	20

Key Performance Measure II: Fiscal Notes Completed

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Fiscal notes completed	312	269	350	350
% of fiscal notes completed within five working days	86%	94%	80%	80%

Key Performance Measure III: Compliance and Education Statistics

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Number of random controlled buys performed	1248	890	1000	1000
Percent of licenses issued within the statutory timeframe	100%	100%	100%	100%
Face-to-face training sessions completed within 14 days of new liquor license issue date	99%	99%	100%	100%

Key Performance Measure IV: Compliance for Controlled Buys

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Compliance rate for the controlled buys for the sale of alcohol to underage persons	89%	87.5%	90%	93%

Key Performance Measure V: Electronic Transmission Percentages by Year

	FY2024 Actual	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Percentage of electronic individual income tax returns filed electronically	93%	93%	94%	94%	95%
Percentage of sales and use tax returns filed electronically	98%	98%	99%	99%	99%
Percentage of tax payments received electronically	84%	88%	90%	91%	92%
Percentage of electronically filed individual income tax return refunds issued within 14 days of receipt	92%	93%	91%	92%	92%

Key Performance Measure VI: Completed Audit Activity by Type

Activity	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Corporate Income Tax File Analysis	221	140	200	200
Corporate Income Tax Audits	27	19	26	26
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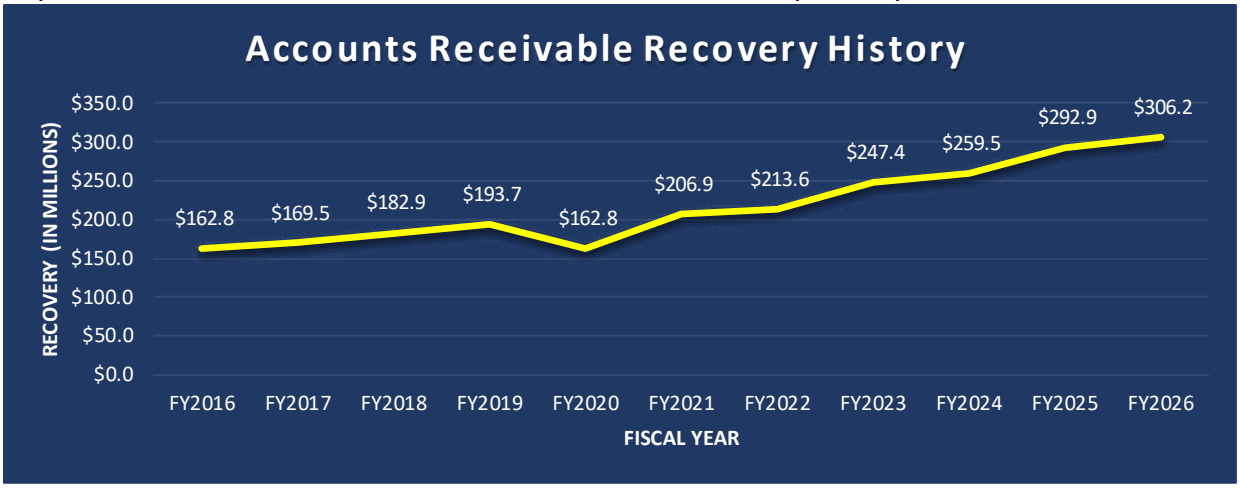
Self-Audit/Direct Bill letters issued	345	630	1250	1250
Refund Reviews	1007	2011	2200	2200
Voluntary Disclosures	191	181	200	200

Key Performance Measure VII: Accounts Receivable Recovery History



Key Performance Measure VIII: Controlled Buy Compliance Statistics

	FY2024 Actual	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
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Compliance rate for random controlled buys for the sale of cigarette/tobacco products to minors	94%	94%	93%	90%	90%

Key Performance Measure IX: Qualified Appraisers in Kansas

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Number of counties with qualified appraisers	103	105	105	105

Key Performance Measure X: State Appraisal Statistical Compliance Standards

	FY2025 Actual	FY2026 Actual	FY2027 Estimate	FY2028 Estimate
Percent of residential valuations meeting state appraisal statistical compliance standards	98%	98%	98%	98%
Percent of commercial valuations meeting state appraisal statistical compliance standards	92%	43%	95%	95%

Key Performance Measure XI: Titles and Registration Processing Statistics

Activity	CY2025 Actual	CY2026 Estimate	CY2027 Estimate	CY2028 Estimate
Title applications processed at the county level	642,755	773,787	793,132	808,994
Number of mail and walk-in registration renewal applications received and processed at county treasurers	1,938,854	1,958,242	1,977,824	1,997,602
Number of online or mobile app registration renewal applications received and processed at county treasurers	785,510	797,293	809,252	821,391

Key Performance Measure XII: Driver Services Statistics by Year

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Number of active commercial drivers' licenses	112,513	113,012	114,112	114,362	114,474
Number of licenses/ID cards processed	704,275	736,654	730,700	710,950	735,800

Key Performance Measure XIII: Driver Solutions Statistics

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Number of licenses suspended due failure to comply	18,911	17,023	17,967	17,495	17,731
Number of licenses restricted	11,989	19,734	15,862	17,798	16,830

Key Performance Measure XIV: Average Wait Time at Largest Driver's License Stations

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Lawrence	5:34	9:53	6:06	6:30	6:00
Mission	10:18	22:51	18:06	17:00	12:00
Olathe	18:40	10:16	13:05	11:00	10:00
Overland Park	19:04	17:32	11:19	11:35	11:00
Topeka	3:47	7:48	12:04	10:00	8:00
Wichita Twin Lakes	7:45	3:24	19:00	15:00	11:00
Wichita West	10:00	16:21	13:25	13:00	12:00