**Directive**

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| **Directive Number:** | **Kansas Tax Equity and Fairness Act of 1997** |

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| **Tax Type:** | **Corporate Income Tax; Kansas Retailers' Sales Tax; Kansas Compensating Tax** |
| **Brief Description:** | **H.B. 2105,Section 52** |
| **Keywords:** |  |
| **Effective Date:** | **07/01/1997** |

**Body:**

Office of the Secretary

TO: All Auditors

FROM: Secretary LaFaver

DATE: July 1, 1997

RE: Kansas Tax Equity and Fairness Act of 1997
H.B. 2105, Section 52

In order to insure compliance with the Kansas Tax Equity and Fairness Act of 1997, the following policies and directives will become effective July 1, 1997.

The law requires that retailers sales tax and Kansas compensating use taxpayers be provided with audit work papers, personal or telephonic conferences, and scheduling consideration. These policies and directives will also apply to corporate income tax audits and any other tax audit performed by the Kansas Department of Revenue.

1) Auditors shall provide to taxpayers copies of work papers compiled as a result of the audit. Copies of the work papers will be provided on or before the date on which the audit report is issued. Copies of preliminary work papers will be furnished to the taxpayer at the time of the exit conference. Work papers shall include all computational schedules generated by the auditor, as well as any narratives or other informational documents which support the final audit computations.

2) Auditors will review the audit findings with the taxpayer of the taxpayer’s representative in person or by phone before completing the audit report. This conference is to be documented on forms AUD/35. An exit conference will be held with the taxpayer at the end of any field audit. The auditor will explain any known adjustments at that time and will inform the taxpayer of any outstanding issues to be resolved.

3) When scheduling an audit, the auditor will take into account the taxpayers’ normal hours of operation and be considerate of any special personnel resource requirements. Pay particular attention to the statement “Please indicate any days, weeks, or specific dates which would be unacceptable for the auditor to begin examining your records during the next eighteen months." This statement is found in AUD/38, pre-audit questionnaire. In addition, auditors shall modify the times of their normal workday when necessary to conform to the normal work schedule of the taxpayer.

John D. LaFaver
Secretary of Revenue

**Date Composed: 12/18/1997 Date Modified: 10/09/2001**

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