

By ROBERT PIERCE

• Leader & Times

A charge on electric bills that appeared to puzzle some consumers has a simple explanation, according to a former Topeka legislator.

Carl Holmes, who served as the representative for Kansas' 125th House district for many years, said although residential utility bills are exempt from state sales tax, counties can attach a sales tax of their own based on what is levied by that particular county.



“If a county has a zero sales tax, there’ll be zero county sales tax,” he said. “Whatever county sales tax is levied, that is on the residential bill for everybody living in the sales tax area. For the city sales tax, they call it town sales tax, there’s a 1 percent city sales tax. The tax rate there goes to the city. The county goes to the county. On residential, there’s no state sales tax.”

Holmes said eliminating state sales tax on residential utility bills was a change that was made in 1983.

“Historically, Governor Carlin ran on the platform for his re-election to lower utility bills,” he said. “He found out he couldn’t do anything with the corporation commission. The Legislature in 1983 ran legislation that exempted state sales tax on residential utility bills.”

Holmes said sales tax rates are set by counties and cities when the entities assess a sales tax on consumer items. He added while Seward County did not have a sales tax in the past, it does now.

“According to my bill, it appears to me that the county has a sales tax of 1 and a quarter percent,” he said.

Holmes said with a few exceptions, most commercial utility rates are taxable by the state, but residential consumers with local providers Black Hills Energy and Southern Pioneer need not worry about such a charge.

“There is a city sales tax and a county sales tax,” he said. “Whatever the city and the county levies also applies to utilities.”