## Pittsburg State University State of Kansas Tax Clearance Program New Employee Information

Executive Order 2004-03, signed by Governor Kathleen Sebelius, authorized the State of Kansas Tax Clearance Program for New Hires effective June 6, 2004. The following provides notice about the program to applicants and new hires at Pittsburg State University.

**Purpose of the Program:** All citizens of the State of Kansas are expected to fulfill their responsibility to pay their share of state taxes. Through education, enforcement of tax laws, and identification of non-compliance, equal treatment of all taxpayers is ensured. Public trust in state government is strengthened when public servants understand and fulfill their responsibility to pay their share of state taxes.

**Coverage:** Pursuant to the Executive Order, all new State of Kansas employees, except those listed below, shall be subject to a tax clearance check. Employees of the legislative and judicial branches of state government, employees of elected officials, and students employed by Board of Regents institutions shall not be subject to the tax clearance check for hiring purposes. A tax clearance check shall not delay or prevent the hiring of any candidate for employment.

**Tax Clearance Check**: A tax clearance check consists of a review of the records maintained by the Kansas Department of Revenue for purposes of determining whether an employee is current in the filing of tax returns, payment of tax liabilities and otherwise in compliance with Kansas tax statutes. All information provided by the Department of Revenue shall be confidential. The Kansas Department of Revenue review will be based on new hire information that the PSU is required to electronically submit to the Kansas Department of Administration.

**Resolution of Tax Liability**: If the review of a new employee's tax account(s) indicates that an outstanding tax liability exists or that the new employee is otherwise not in compliance with Kansas law, the employee shall be notified by federal mail that the tax clearance has been "denied." Upon receiving notification of the denial, the employee shall be required to resolve any outstanding tax liability and correct any form of non-compliance. An outstanding tax liability may be resolved either by payment in full of the balance due or establishment of an installment payment agreement with the Department of Revenue. For Tax Assistance, please contact the Kansas Department of Revenue at 1-785-368-8222.

**Setoff Program:** An employees who fails to cooperate with the Department of Revenue in resolving outstanding tax liabilities, including the failure to remain current in making installment payments, shall be referred to the Kansas Department of Administration debtor setoff program, under which 25% of an employee's net pay may be offset to satisfy outstanding Kansas tax liabilities. In addition, a collection fee of 17% will be added to the balance.

**Former Residents of Other States:** Newly hired employees who have not been Kansas residents prior to PSU employment are likely to receive a "denial" tax clearance letter from the Kansas Department of Revenue. If that letter is received, the new employee may be asked to provide or to complete information verifying that he/she was not previously a Kansas taxpayer. That information may be an affidavit stating prior residence or a tax return from the state of last residence. If a new employee receives a denial letter and needs assistance with determining the appropriate verification of prior residence and/or tax payer status, please contact the Department of Revenue, Compliance Enforcement Analytical Research Team at 785-291-3297 or www.ksrevenue.org/taxclearance.htm for assistance. That office is open from 7:00 a.m. to 4:30 p.m., Monday through Friday.

**Non-Resident Aliens:** If a newly hired employee is a non-resident alien from a country that has a tax treaty with the U.S.A., that employee's records may be exempt from the tax clearance program.

## Additional Kansas Department of Revenues Contacts:

• For general tax questions (pre-approval or inquiry)

Customer Relations Wage Earner Section 7:00 a.m. to 5:30 p.m. – Monday through Friday 1-785-368-8222 or www.ksrevenue.org

 For tax collection questions and resolving balances due – Customer Account Resolution (Collections)
7:00 a.m. to 5:30 p.m. – Monday through Friday
1-785-296-6121 or www.ksrevenue.org

## **Employee Acknowledgement**

I acknowledge that I have been informed of the Tax Clearance Program for the State of Kansas through its agent Pittsburg State University and am aware of the requirements for payment, if applicable.