

MINUTES OF THE HOUSE AGRICULTURE AND NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairperson Sharon Schwartz at 3:30pm on Wednesday, March 04, 2015, 346-S of the Capitol.

All members were present except:

Representative John Wilson – Excused
Representative Susan Concannon – Excused
Representative Brett Hildabrand – Excused

Committee staff present:

Raney Gilliland, Legislative Research Department
Joanna Wochner, Legislative Research Department
Shirley Jepson, Kansas Legislative Committee Assistant
Natalie Scott, Office of Revisor of Statutes

Conferees appearing before the Committee:

Roger Hamm, Deputy Director, Division of Property Valuation, Department of Revenue
Josh Roe, Assistant Secretary, Department of Agriculture

Others in attendance:

[See Attached List](#)

Presentation on:

Chair Schwartz informed the Committee that this is an informational presentation concerning agricultural land valuation to assist Committee members in responding to questions from their constituents.

Roger Hamm, Deputy Director, Division of Property Valuation, Department of Revenue, appeared before the Committee to present information on Kansas agricultural land valuation ([Attachment 1](#)). Also present from the Department of Revenue were Bill Waters, Attorney, and Dave Harper, Division of Property Valuation.

Mr. Hamm provided background information on how agricultural land is valued, noting that agriculture land is classified as real property and valued with regard to income. Mr. Hamm indicated that property tax is the largest, single source of revenue in Kansas, generating \$4.5 billion per year from \$31.782 billion of taxable value. Mr. Hamm explained that every county's tax base is unique to that county.

In response to a question from the Committee, Mr. Hamm noted that an 8-year average of crop prices is used when calculating agricultural land value. The agency also reviews what is typical for the acreage of the county. Mr. Hamm indicated that **SB178** introduced in the Senate would change the tax rate on agricultural use land.

Mr. Hamm responded to questions from the Committee.

Presentation on:

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES of the Committee on Agriculture and Natural Resources at 3:30pm on Wednesday, March 04, 2015, 346-S of the Capitol.

Josh Roe, Assistant Secretary, Department of Agriculture, appeared before the Committee to provide additional information on Valuation of Agricultural Lands in Kansas ([Attachment 2](#)). Mr. Roe also provided information on the estimated tax impact of **SB178** on net income per acre of farmland in Kansas ([Attachment 3](#)).

Mr. Roe responded to questions from the Committee. The Committee noted that if SB178 is enacted, it could be detrimental to the agricultural industry in Kansas particularly if surrounding states have a lower tax formula.

The Committee noted that a news release distributed by Jackie McClaskey, Secretary, Department of Agriculture, was a good resource document to use when responding to questions or concerns from constituents regarding the valuation of farm land and information pertaining to **SB178**.

Adjournment

The meeting was adjourned at 4:40 pm. The next meeting of the Committee is scheduled for March 9, 2015.