

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairperson Marvin Kleeb at 3:31pm on Thursday, February 12, 2015, 582-N of the Capitol.

All members were present except:

- Representative Kasha Kelley – Excused
- Representative Dennis Hedke – Excused
- Representative Tom Sawyer – Excused
- Representative John Alcala – Excused
- Representative Brandon Whipple – Excused

Committee staff present:

- Phyllis Fast, Kansas Legislative Committee Assistant
- Chris Courtwright, Legislative Research Department
- Scott Wells, Office of Revisor of Statutes

Conferees appearing before the Committee:

- Representative Ron Ryckman, Sr., District 115
- Bob Topping, Lawrence resident
- Linda Fort, Kansas Bed and Breakfast Association
- Shirley Stieger, Owner of Leavenworth Union Park Guest House B&B

Others in attendance:

[See Attached List](#)

Representative Louis Ruiz substituted for Ranking Minority Member Representative Tom Sawyer.

Bill introductions

Representative Read requested a bill be introduced concerning a county 1% sales tax for construction of a new jail. Vice Chair Suellentrop made a motion to introduce the bill. Representative Ryckman, Sr. seconded the motion. Motion passed.

Representative Vickery requested a bill be introduced concerning the ability of Miami County to be an ROZ. Vice Chair Suellentrop made a motion to introduce the bill. Representative Highland seconded the motion. Motion passed.

Representative Corbet made a motion to introduce a bill concerning tax implications when liquidating a commercial business. Representative Highland seconded the motion. Motion passed.

Representative Hutton made a motion to introduce a bill concerning taxing of electronic cigarettes. Vice Chair Suellentrop seconded the motion. Motion passed.

Representative Hutton made a motion to introduce a bill concerning surtax. Representative Lunn seconded the motion. Motion passed.

CONTINUATION SHEET

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Representative Hutton made a motion to introduce a bill concerning sales tax rates. Vice Chair Suellentrop seconded the motion. Motion passed.

Representative Lunn made a motion to introduce a bill to repeal LAVTR. Representative Rhoades seconded the motion. Motion passed.

Representative Lunn made a motion to introduce a bill concerning an increase in motor fuel taxes. Representative Hutton seconded the motion. Motion passed.

Representative Lunn made a motion to introduce a bill concerning the reduction of EI tax credits. Vice Chair Suellentrop seconded the motion. Motion passed.

Representative Brunk made a motion to introduce a bill concerning the limited availability of townships' monies for audits. Representative Corbet seconded the motion. Motion passed.

Vice Chair Suellentrop made a motion to introduce a bill concerning tax credits relating to energy. Representative Lunn seconded the motion. Motion passed.

Vice Chair Suellentrop made a motion to introduce a bill concerning removal of certain sales tax exemptions. Representative Lunn seconded the motion. Motion passed.

Vice Chair Suellentrop made a motion to introduce a bill concerning property tax and the mill levy. Representative Hutton seconded the motion. Motion passed.

Vice Chair Suellentrop made a motion to introduce a bill concerning passive income. Representative Highland seconded the motion. Motion passed.

Hearing on: HB2168 — Property tax exemption and classification for property used for bed and breakfast purposes.

Chairman Kleeb opened a hearing **HB2168**.

Scott Wells briefed the Committee on **HB2168** by explaining tax rates for small bed and breakfasts. He stood for questions.

Representative Ron Ryckman, Sr. presented testimony in support of **HB2168** by explaining the dilemma of small bed & breakfasts' high tax rates. He stood for questions. ([Attachment 1](#))

Bob Topping presented testimony in support of **HB2168** by explaining in depth the differences in tax rates between commercial and residential bed and breakfasts. He stood for questions. ([Attachment 2](#))

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Linda Fort presented testimony in support of **HB2168** by explaining the purpose of small bed and breakfast establishments throughout Kansas. She stood for questions. ([Attachment 3](#))

Shirley Stieger presented testimony in support of **HB2168** by further explaining in detail the dilemma of the high tax rate for bed and breakfasts with five rooms or less. She and co-owner, Lee Stieger, stood for questions. ([Attachment 4](#))

Written only testimony in support of **HB2168** was presented by Natalie Bright, Tourist Industry Association of Kansas ([Attachment 5](#)).

No testimony neutral for or in opposition to **HB2168** was presented.

When all questions from the Committee were answered, Chairman Kleeb closed the hearing on **HB2168**.

The meeting was adjourned at 4:11 pm.