



Date: February 17, 2015

To: House Taxation committee

From: Larry R. Baer
Legal Counsel

Re: HB 2167
Testimony in Support

Thank you for allowing me to appear before you today and present testimony in support of House Bill 2167 on behalf of the League of Kansas Municipalities and its member cities.

HB 2167 would amend current law to increase the interest paid on delinquent property taxes from the amount stated in K.S.A. 79-2968, to that amount plus five percent per annum. Prior to 2014 the interest rate was that stated in 79-2968 plus two percent per annum. In 2014 the legislature reduced the delinquent tax interest rate by removing the two per cent surcharge.

In this time of tight budgets on all levels, it seems only logical to impose an interest penalty that serves to encourage the timely payment of taxes. Or, in the alternative, imposes an interest rate on the delinquent taxpayer that covers the taxing entities cost of money on the delayed tax payments. HB 2167 would do this.

The League supports HB 2167 and requests that you pass it out favorably.