

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE

The meeting was called to order by Chairperson Les Donovan at 9:30 am on Wednesday, January 21, 2015, 548-S of the Capitol.

All members were present except:

Senator Anthony Hensley – Excused

Committee staff present:

Chris Courtwright, Legislative Research Department

Edward Penner, Legislative Research Department

Adam Siebers, Office of Revisor of Statutes

Gordon Self, Office of Revisor of Statutes

Judy Seitz, Kansas Legislative Committee Assistant

Conferees appearing before the Committee:

Richard Cram, Director, Policy and Research, Kansas Department of Revenue (KDOR)

Robert Challquist, Attorney, Legal Services, KDOR

Others in attendance:

[See Attached List](#)

Bill introductions

Richard Cram requested the introduction of a bill on behalf of the governor to provide for the tax reduction fund and budget stabilization fund; make certain adjustments to individual income tax rates; make certain adjustments to the individual income tax itemized deduction and provide a tax amnesty program. ([Attachment 1](#))

There being no objection from any member present, the Chairperson declared a motion to introduce the bill adopted by consensus.

Mr. Cram requested the introduction of a bill on behalf of the governor to provide for cigarette tax, tobacco products tax, and liquor enforcement tax rate increases. ([Attachment 1](#)) *There being no objection from any member present, the Chairperson declared a motion to introduce the bill adopted by consensus.*

Senator Melcher requested the introduction of a bill concerning governmental ethics relating to the use of public funds for lobbying. *There being no objection from any member present, the Chairperson declared a motion to introduce the bill adopted by consensus.*

Hearing on: SB29 — Removal of community improvement district sales tax administration fund aggregate cap.

Richard Cram presented testimony in favor of **SB29**. ([Attachment 2](#)) He said that this bill would amend K.S.A. 12-12-6a31 to remove the current \$60,000/fiscal year cap on the amount of administrative fees that the KDOR is authorized to retain in the community improvement district sales tax administration fund from community improvement district sales tax distributions.

CONTINUATION SHEET

MINUTES of the Committee on Assessment and Taxation at 9:30 am on Wednesday, January 21, 2015, 548-S of the Capitol.

Mr. Cram took questions from the Committee. No opponents offered testimony. Chairperson Donovan closed the hearing on **SB29**.

Hearing on: SB30 — Electronic filing of mineral severance tax returns required.

Richard Cram provided testimony in support of **SB30** which would require severance tax returns to be filed electronically using the Department's KOLAR (Kansas On Line Automated Registration) but give the Department authority to waive the electronic filing requirement under hardship circumstances when requested. ([Attachment 3](#)) Mr. Cram answered questions from the Committee. Margo Segura Rangel, Public Service Administrator II, Mineral Severance Tax Processing Unit, KDOR also answered questions. No opponents to **SB30** appeared. Chairperson Donovan closed the hearing on **SB30**.

Hearing on: SB31 — Permitted use of tax information in certain tax actions and proceedings; tax liens upon personal property; tax warrants; time for returns and payment of tax; liability for persons responsible for collection of sales or compensating tax.

Mr. Cram and Mr. Challquist testified in favor of **SB31** which has five proposals that deal with the tax collection and enforcement process. ([Attachment 4](#)) The proposals seek to amend a notice provision, amend the confidentiality statutes, amend the tax warrant statutes, amend the filing frequency requirement for retailers' sales tax and liquor taxes and amend responsible party statute to align terms with already defined terms. A proposed balloon amendment was attached to the written testimony. Mr. Cram took questions from the Committee. No one appeared in opposition to **SB31**. Chairperson Donovan closed the hearing on **SB31**.

Adjournment

The meeting adjourned at 10:16 am. No meeting is scheduled for tomorrow.