

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE

The meeting was called to order by Chairperson Les Donovan at 9:30 am on Wednesday, March 18, 2015, 548-S of the Capitol.

All members were present

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:

No conferees present

Others in attendance:

[See Attached List](#)

Possible bill introductions

Senator Abrams requested the introduction of a bill concerning education finance. *There being no objection from any member present, the Chair declared a motion to introduce the bill adopted by consensus.*

Hearing on: SB259 — Computation of amount of personal property tax on motor vehicles.

Chairperson Donovan opened the hearing on **SB259** and spoke in support because this bill would change the way personal property tax is assessed on motor vehicles. He said this bill would lower the assessment rate on a vehicle from 20% to 12% over a five year period and phase in the 20 mills and would bring in between \$48 and \$60 million revenue per year.

Don McNeely presented testimony in support of **SB259** saying that this bill revises the personal property schedule on motor vehicles to more accurately reflect the actual depreciation of a vehicle. He said the current formula depreciates vehicles very slowly on the front-end of the life of the vehicle and accelerates it on the back-end, when in the real world, just the opposite occurs. ([Attachment 1](#)) Mr. McNeely took questions from the Committee.

Randall Allen testified in opposition to **SB259** because the bill would significantly reduce revenue to counties and other units of local government despite some partially mitigating factors, including an increase in the threshold of taxes on motorcycles and motor vehicles in Section 1 of the bill. ([Attachment 2](#)) Mr. Allen said the frustration with this bill is that there never seems to be a conversation about all the revenues totally; it's more silent discussions.

Mr. Allen answered questions from the Committee.

CONTINUATION SHEET

MINUTES of the Committee on Assessment and Taxation at 9:30 am on Wednesday, March 18, 2015, 548-S of the Capitol.

Staff also took questions from the Committee.

The following submitted written testimony in opposition to **SB259**:

Tom Franzen, Johnson County Treasurer & Finance Director ([Attachment 3](#))

Larry Baer, Legal Counsel, League of Kansas Municipalities ([Attachment 4](#))

Adjournment

The meeting adjourned at 10:20 am. The next scheduled meeting is Thursday, March 19 with a hearing on **SB261 - Imposing sales tax on sales of gas, electricity, heat and other fuel sources for production of heat and lighting for residential premises and agricultural use.**