

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE

The meeting was called to order by Chairperson Les Donovan at 1:00pm on Tuesday, May 12, 2015, 546-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](#)

**THIS DAY CONTAINS MULTIPLE MEETINGS.**

*Senator Lynn made a motion to approve the minutes of the Committee meetings for March 5, 11, 12, 16, 17, 18, 19, 24, 25, 31 and April 2 and 30 as written. Senator Abrams seconded the motion. Motion carried.*

**Discussion & possible action on bills previously heard**

Chairperson Donovan reviewed the revenue enhancement proposal for **S Sub HB2109** as follows:

Non-wage business income \$81,900,000  
exemption repeal;  
replace with payroll credit

Food tax at 6.00%; all else at \$134,000,000  
6.50%

Repeal residential exemption \$43,600,000  
from 20 mill USD levy  
(SGF spending issue)

Expand traditional Homestead program \$3,000,000  
by increasing max refund \$100

Car tax plan (only FY16 impact \$8,000,000  
is from stimulated sales)

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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 Assessment and Taxation at 1:00pm on Tuesday, May 12, 2015, 548-S of the Capitol.

.50 cent cigarette tax increase \$40,000,000

Accelerate itemized deduction haircuts \$50,300,000

Motor fuel tax .5 cent increase \$81,955,000

Liquor enforcement tax increase to 10% \$14,130,000

Liquor gallonage tax increase - \$15,586,000  
various levels

Tobacco products to 15% \$2,847,000

Total addition revenue generated \$475,708,000  
Approximate shortfall based on (\$406,400,000)  
current budget agreement to get to zero

The approximate ending balance would be \$93,000,000 and not the \$69,308,000 as shown on the handout. The Homestead program increase should be a negative number and add \$6 million and an estimated \$30,000,000 in revenue from the tax amnesty program.

Printed copies of the proposal for **S Sub HB2109** were distributed. ([Attachment 1](#))

Chairperson Donovan also wants the governor's amnesty program from **SB234 - State finances; relating to state general fund tax receipts; providing a tax amnesty, creating a budget stabilization fund, tax reduction fund, ending balances; income tax rates, itemized deductions; reports to the legislature** to be added to the proposal for **S Sub HB2109**

Chairperson Donovan said that nothing will be done with the Earned Income Tax Credit ( EITC) at this time.

There was discussion on the revenue enhancement proposal.

*Senator Powell made a motion to insert the proposed revenue enhancement as well as the tax amnesty portion from SB234 and portions of SB296 - Making the 2015 income tax rates permanent and having the tax rate reduction become effective into HB2109 - Transfer-on-death deeds; lapsing or vesting of ownership in grantee beneficiary. Senator Bruce seconded the motion. The motion failed.*

The meeting adjourned at 2:00 pm.

CONTINUATION SHEET

MINUTES of the Committee on Assessment and Taxation at 1:00pm on Tuesday, May 12, 2015, 548-S of the Capitol.

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE

The Senate Assessment and Taxation Committee meeting was called to order by Chairperson Les Donovan at the rail at 2:30pm on Tuesday, May 12, 2015.

No attendance was taken but there was a quorum present.

No conferees were present.

There was no guest list.

At the 1:00pm Committee meeting Senator Powell made a motion to insert the proposed revenue enhancement as well as the tax amnesty portion of SB234 - State finances; relating to state general fund receipts; providing a tax amnesty; creating a budget stabilization fund, tax reduction fund, ending balances; income tax rates, itemized deductions; reports to the legislature and portions of SB296 - Making the 2015 income tax rates permanent and having the tax rate reduction become effective into HB2109 - Transfer-on-death deeds; lapsing or vesting of ownership in grantee beneficiary. Senator Bruce seconded the motion. There was a re-vote on the motion and the motion carried.

The meeting adjourned at 2:05pm.