Approved: May 29, 2015

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE

The meeting was called to order by Chairperson Les Donovan at 10:30am on Tuesday, May 19, 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 Reed Holwegner, Office of Revisor of Statutes

Conferees appearing before the Committee:

No conferees present

Others in attendance:

See Attached List

Approval of minutes

<u>Senator Powell made a motion to approve the Committee minutes as written for the May 5 and 7 meetings. Motion seconded by Senator Abrams. Motion carried.</u>

Discussion & possible action on bills regarding tax issues

Chairperson Donovan said this Committee has met numerous times this year on tax issues with not as much progress as he would like to see. The public is waiting for us to do something.

Senator Donovan requested the introduction of a bill that would suspend legislative pay completely by this Friday, May 22. *There being no objection from any member present, the Chair declared a motion to introduce the bill adopted by consensus.*

Senator Melcher made a motion to modify the bill request that pay ceases retroactively to Monday since the session was essentially over on Saturday. The motion failed on a 3-3 vote.

Chairperson Donovan said the House Taxation Committee is looking at a different approach for the pass-through income.

Chairperson Donovan said that his proposal is simple and gives more emphasis on new employees. The exemption on the pass-through income would be eliminated. The employer would receive a \$200 tax credit for any existing employee. The employer would receive a \$1,000 tax credit for each newly hired employee. The emphasis is on hiring new people.

Senator Bruce made a motion to report S Sub HB2109 out as amended, without recommendation.

CONTINUATION SHEET

MINUTES of the Committee on Assessment and Taxation at 10:30am on Tuesday, May 19, 2015, 548-S of the Capitol.

Senator Lynn seconded the motion.

A handout was distributed showing **S Sub HB2109** as amended by the Committee on May 14. (Attachment 1) Staff said the bill no longer has the liquor enforcement tax or liquor gallonage tax increase. The bill also does not include repealing the residential exemption from 20 mill USD levy or the expansion of the traditional Homestead program.

Motion carried.

The meeting adjourned at 11:05am.