

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION

The meeting was called to order by Senator Paul "Bud" Burke at
Chairperson

11:00 a.m./p.m. on February 14, 1983 in room 526-S of the Capitol.

All members were present except: Senator Johnston (Excused)
Senator Mulich (Excused)

Committee staff present: Wayne Morris, Research Dept.
Tom Severn, Research Dept.
Don Hayward, Revisor's Office

Conferees appearing before the committee: Ernie Mosher, League of Kansas Municipalities

The chairman recognized Senator Doyen, President of the Senate, to explain proposed legislation which would impose a 7½% tax on oil and gas production. Senator Doyen said he had spent a great deal of time and effort on the bill draft which calls for a 7½% tax statewide, gives credit for taxes paid now locally, sets up a trust fund (10%), sets up a rebate between the counties and cities (7½%), and the rest goes into the general fund. He said the bill has some exemptions, such as the exemption for those who use natural gas for domestic purposes.

In response to questions from the committee members, Senator Doyen said the bill would generate approximately \$60 million in revenue for the state and that the revenue would be collected at the point of sale. He said he believes this bill is a fair approach to this problem and is requesting the proposed legislation be introduced and referred back to the committee.

Senator Burke relinquished chairing of the committee to Senator Thiessen, Vice Chairman, who asked if committee members would like to entertain a motion on this proposal.

Senator Burke moved and Senator Allen seconded a motion to introduce the proposed bill draft imposing a tax on oil and gas and have it referred back to the committee. The motion passed with Senators Angell and Ehrlich voting "no".

The committee considered HB 2021. Wayne Morris briefed the committee on this bill which reenacts the exemption from the tax lid for cities and counties which had been contained in the former state-imposed intangibles tax law.

Wayne Morris also explained HB 2023, a product of the interim committee's review of the local intangibles tax law. He explained changes in the various sections of the 1982 local option intangibles tax as amended by the House Committee. He said that under the bill the election dates for eliminating or imposing the intangibles tax would need to be held at a general election of that governing unit or the state general election. Should this be enacted into law, it would delete townships from bringing the vote on this at the school district election in April. Senator Ehrlich said he had a proposed amendment on how to put this item on the April ballot.

Ernie Mosher, League of Kansas Municipalities, appeared in support of HB 2023. He said the League had proposed some amendments during the interim meetings and all were adopted. He said the League did propose an amendment that was rejected, Page 3, Line 85, changing the date of July 15 to August 1 when the county clerk submits to the Department of Revenue a list showing the tax rate imposed on intangibles. He said the League prefers August 1 so the local budget process fits into the schedule and suggests if the bill is amended that consideration be given to delaying until August 1 to start processing and applying the rate.

Bill Edds, Dept. of Revenue, said the August 1 date presents a problem with printing the form and they believe July 15 was the latest date for getting this into the income tax instruction book.

Senator Burke welcomed the United Methodist women visiting the committee today.

The chairman adjourned the meeting at 11:50 a.m. The committee will meet at 11:00 a.m. on Tuesday, February 15.

ASSESSMENT AND TAXATION

OBSERVERS
(PLEASE PRINT)

DATE	NAME	ADDRESS	REPRESENTING
Feb. 14			
	Jori A. Haverkamp	Wetmore	
	Debra C. Rowland	Wetmore	
	Tom Wilder	Topoka	Kan Sav & Loan League
	Tony Gonsalves	Topoka	UPI
	T. C. Anderson	Topoka	KSCPA
	Jan Vacek	Topoka	KSCPA
	Gene Steward	Princeton Ks	U. M. W.
	Dillon Green	Topoka 10 th	NARFE
	Clea Carson	Valley Falls Ks	U. M. W.
	Cindy Amundson	Lawrence	aide to Charlie Angell
	Virginia Kous	Valley Falls, Ks.	United Meth. Women
	Shirley Hufkubler	Richmond Ks	U. M. W.
	Corothy Decker	Richmond Ks	U. M. W.
	Pauline Grumme	Ozawie, Ks.	U. M. W.
	Mae Means	Ozawie Ks.	U. M. W.
	Golda Freund	Lebo Ks.	U. M. W.
	Rose Gillette	Lebo Ks	U. M. W.
	Wanda L. Tidd	Lebo, Ks.	U. M. W.
	Betty Small	Lebo, Ks.	U. M. W.
	Merton Zisset	Leonardville Ks	U. M. Church
	Isla Herbert	Oskaloosa, Ks.	U. M. W.
	JACKIE COLEMAN	OSKALOOSA, Ks.	METHODIST WOMEN
	Amy Teagarden	Frankfort Ks	U. M. W.
	Dolores Field	Topoka Ks	Methodist U. M. W.
	Frances Long	Osage City Ks	U. M. W.
	Elsie Booth	RR #1 Osage City, Ks.	Osage U. M. W.
	Rosalie Cramer	RR #1 Osage City, Ks.	Osage U. M. W.
	Vera R. Garwood	1402 Oakhurst Pl. 10 th Indep.	Indep. U. M. W.
	Carol L. Gambriell	3536 S.E. 37 th	U. M. W.

ASSESSMENT AND TAXATION

OBSERVERS
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DATE	NAME	ADDRESS	REPRESENTING
2/14/83	Dorothy M. Cappel	414 Lincoln, Osage City	U. M. W.
2/14/83	Alice Bacon	Topeka	U. M. W.
2/14/83	Florence R. Jordan	933 Maple, Ottawa, ⁶⁶⁰⁶³ Ks	U. M. W.
2/14/83	J. Willis Jordan	933 Maple, Ottawa, Ks	
2/14-83	Inez Davis	906 N. M. Mill, Ottawa, ^{Mo}	U. M. W.
2/14-83	Wilma A. Scott	837 Spruce, ^{Ottawa}	U. M. W.
2/14-83	Carroll Wells	835 Princeton, ^{Ottawa}	U. M. W.
2/14-83	Wilma Moody	Box 78	^{29. 7m. 31} Leonardville
2/14-83	Una Kellen	" 236	^{47m} Leonardville
"	Cornie Erwin	3010 Grand, Parsons	U. M. W.
2/14/83	Phyllis E. Tudor	500 W. 5th ^{Overbrook} 66524	U. M. W.
2-14-83	FRANCIS C. Hoover	5731 SW 22 nd ^{Topoka}	U. M. W.
2-14-83	Pauline Supple	RR. Box 75 ^{Overbrook} ^{Mo} 66528	U. M. W. Overbrook
2-14-83	Gladys E. Clubine	410 N 4th ⁶⁷³⁰¹ Indep. Ks	U. M. W.
2-14-83	Vivian Brenden	4331 S.E. 26 th Terr. - Top	U. M. W.
2-14-83	Marjorie L. Townley	3025 S.E. Starlite	U. M. W.
2/14/83	Ellen Caster	8549 S.W. 69th, Auburn	U. M. W.
" "	Steven Wiechman	TOPEKA, Ks.	K. A. C.
" "	Jennie Miller	Circleville, Kan.	U. M. W.