

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION

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

11:00 a.m./~~p.m.~~ on FEBRUARY 24, 1983 in room 313-S of the Capitol.

All members were present ~~xxxxx~~

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

Conferees appearing before the committee: Senator Jack Steineger

The hearing was continued on the severance tax bills.

The chairman recognized Senator Jack Steineger, a sponsor of SB 67, to continue his explanation of his bill which imposes a 7% tax on oil and gas production in addition to the local property taxes which the industry pays.

In addition to briefing the committee on the provisions of the bill, he answered questions from committee members. When asked about what will happen to the oil and gas production when a severance tax was imposed, he said he was hearing the same arguments that were made in Oklahoma when their severance tax was passed.

(There had been testimony that the severance tax could possibly destroy the oil and gas industry - that \$30 million will be lost to Wichita, rigs will shut down, etc.)

In response to a question about a trust fund, Senator Steineger said that was a good and attractive concept but he thinks it would be unacceptable in today's fiscal crisis - we need money too badly to afford that luxury.

He was asked if he would oppose an amendment which would allow for this problem of non-profitability, some kind of a formalized exemption which says when a well only has 5% profitability thereby making it shut-in. He said this would take the risk out of oil production.

When asked about the constitutionality of the question on royalty owners, Senator Steineger said he was satisfied it is constitutional. He had asked for an opinion from the attorney general and they had asked for specific questions as to what he might consider constitutional problems.

Senator Angell said Oklahoma has no property tax and is a 7% state. The bulk is a production tax merely bearing the title ad valorem.

The chairman announced the committee will meet here in Room 313-S on adjournment of the session. The meeting was adjourned at 12:00 noon.

11:00 am meeting

ASSESSMENT AND TAXATION

OBSERVERS  
(PLEASE PRINT)

DATE	NAME	ADDRESS	REPRESENTING
2/24	Nancy Kaul Ben Neill	Staff Kansas City	Gov.
	Ivan Wyatt	McPherson	Ks Farmers Union
	Leroy Jones	Overland Park	B. L. E.
	J. N. Rasmussen	Frankfort	M. J. ell -
	Bob O'Brien		Apt. Rev.
	John Parks		" "
	John D. Peterson	Topeka	KC Times
	Mary Fund	Top	Ko. Rural Center
	Chip Whelan	Topeka	Leg Policy Group
	Ellen Lower	Johnson County	Mental Health Assn
	Myrna Stinger	Johnson County	LWV
	Rachel Straub	Johnson County	Coalition for the maintenance of child abuse
	Dagmar H. Hardin	Johnson County	JCCPCA -
	Leslie Peck	K.C.	
	Anda Mealy	Topeka	Pete M. Williams
	Charlotte Duffield	Overland Park	
	George Burrow	Shugston Ks.	Co Com.
	Don Boyer	Topeka	EKOGA
	DAVID FURNAS	Wichita	CHAMBER
	Samuel...	Shugston	...
	Ruth Wilkin	Topeka	B. S.
	M. Chamberland	202 Box 23A Sedan	
	Klean D. Cogswell	Topeka	NW Central Area
	Merle Hiee	TOPEKA	Ks Good Foods Assn
	Ken Ruzick	Topeka	L.P.O.A.S. ASS'N
	Shirley Pickett	Mill City, Ks.	Graham Co.
	Darlene Boyce	Mill City, Ks.	Graham County

ASSESSMENT AND TAXATION

OBSERVERS  
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DATE	NAME	ADDRESS	REPRESENTING
Feb. 27	Bill Edds	TOPEKA	REVENUE
	Phil Martin	TOPEKA	PVD
	Cindy Amundson	Lawrence	Angell
	<del>Stan Smith</del>	Wichita	Stinson
	Wesley D. Hambleton	Lawrence	EGS
	Bob Harding	Hugoton	SWKROA
	<del>Gene Kramer</del>	Topeka	KPC
	Doss Martin	"	KPC
	Ole Hurre	Great Bend	Chambers
	Elizabeth Wilson	Topeka, Ks.	Self
	Mike Belanger	Hays, Kansas	Ellis County
	Jim Converse	Box 127 Olsburg	self
	Mike Bern	Topeka	self
	Martha Thatcher	Topeka	Sen. Hein
	Bob McVeeny	Lawrence	" "
	M. Hauer	Topeka	Cap. Joul
	R. D. Randall	Wichita	Petroleum, Inc.
	Don Schwalk	Topeka	KIOGA
	Bill Herbs	Wichita	Self.
	Bob Freeman	Sedan	Freeman Oil
	Paul Simpson	Sedan	Denman Oil
	WALTER DUNN	TOPEKA	EKOGA
	Don Willoughby	Topeka	Inter North, Inc.
	W. R. Cordes	Council Bluffs Ia	ANL
	Don Milgork	" " "	"
	Kan Gaches	TOPEKA	KACI
	David R. Collins	Lawrence	Kansas Geological Survey
	Carol Szulby	Lawrence	✓
	John D McNeal	Topeka	self