

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by _____ Senator Paul Hess _____ at
Chairperson

12:30 a/m./p.m. on January 12, 1983, 19__ in room 123-S of the Capitol.

All members were present except:

Senator Doyen and Senator Steineger

Committee staff present:

Research Department: Richard Ryan, Marlin Rein, Sherry Brown, Mary Galligan, Julian Efird,
Tom Severn

Revisor's Office: Norman Furse

Committee: Mark Skinner, Administrative Aide; Doris Fager, Secretary
Conferees appearing before the committee:

Bill Edds, Department of Revenue

Mark Beshears, Department of Revenue

Lynne Muchmore, Director of Budget

Ronald W. Gaches, Kansas Association of Commerce and Industry

Senator Hess explained that the meeting had been called for the purpose of taking action on SB 35 and SB 36.

SB 35 - Acceleration of Collection of Withholding taxes

Motion was made by Senator Talkington and seconded by Senator Harder to amend SB 35 by reinstating the reporting date as it is in present law rather than changing it to January 15. The motion carried by voice vote.

Questions were directed to Mr. Edds and Mr. Beshears from committee members, particularly about the one-time 25% penalty for back payment. They explained that this is a one-time penalty, and that the 25% encourages people to make timely deposits.

Motion was made by Senator Talkington and seconded by Senator McCray to report SB 35 as amended favorably for passage. The motion carried by roll call vote.

SB 36 - Acceleration of Collection of Sales Taxes

Motion was made by Senator Werts and seconded by Senator Harder to amend SB 36 to provide a one percent administration allowance to retailers for collecting the sales taxes, and that this provision be effective January 1, 1984.

There was discussion concerning the proposed amendment. It was noted that the cost to the state would be \$2.35 million for FY 1984 and approximately \$4.7 million annually thereafter.

The motion passed 4-3, with the Chairman casting the deciding vote.

There was discussion concerning suggestions made by conferees for amending SB 36. No motions were made concerning these suggestions.

Motion was made by Senator Gaines and seconded by Senator McCray to report SB 36 favorably as amended. The motion carried by roll call vote.

The meeting was adjourned by the Chairman.