

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATIONThe meeting was called to order by Senator Paul "Bud" Burke at  
Chairperson11:00 a.m./~~p.m.~~ on February 3, 1984 in room 526-S of the Capitol.

All members were present except: Senator Mulich (excused)

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

Conferees appearing before the committee: Senator Gordon

The chairman reported that there had been discussion about the taxation of barges using the navigable water courses within or bordering our state, namely the Missouri River. He called on Tom Severn, Research Dept., to review the barge situation and the problems that have arisen from the Property Valuation Department's attempts to administer the taxation of the barges. Tom Severn reported four other states presently levy a tax similar to this one and Missouri is considering legislation similar to Kansas law. He stated there were five barge companies that went up the Missouri last year; one went bankrupt and one decided not to operate in that part of the Missouri River. He said if too many administrative problems are posed, the barge companies may decide to not go further north than Kansas City. He said the barge companies are unhappy about the procedure originally suggested by the Revenue Dept. and there was a need to arrive at an administrative compromise to simplify the necessary forms. A revised procedure is being worked on now and there is still plenty of time to get a bill if this doesn't work out.

Senator Gordon said he has requested an individual bill to reverse HB 2469 which passed last year and requires the Property Valuation Dept. to appraise barge companies operating on the Missouri River. He suggested two alternatives - exempt those barges on the Missouri River (which might create problems with the 4-R Act) or arrange for the barges to be county assessed rather than state assessed. The problem with this is the county would assess on January 1 when no barges are docked along the Kansas ports to be assessed.

The chairman called on Senator Thiessen to report back from his sub-committee meetings on trending. He said they had two suggestions different from the original bill - five income tax credits to offset the high property taxes, which the sub-committee rejected, and to debase the values (to "roll back" the values after arriving at them). He said they had met with the Governor and he thought this would be unconstitutional unless this was done for all personal property; his answer was to have classification.

Senator Johnston also met with the Governor and said the Governor feels that we are not going to make any progress until the Senate President, the Speaker and others are involved in the broad policy issue question of classification and reappraisal and the process of resolving them.

The staff reviewed SB 582 which allows the county treasurer to accept partial payment of real estate or personal property taxes. There was a question about the possibility of making installment payments. It was noted that the county treasurers will be attending the hearing Monday and will have input into this problem at that time.

The committee considered SB 464 which pertains to the redemption period for delinquent taxes. The chairman noted that Ernie Mosher had suggested amendments which the committee might want to consider.

Senator Allen made a motion to report SB 464 adversely and Senator Montgomery seconded the motion.

Senator Hayden made a substitute motion to adopt the amendments proposed by the League of Municipalities and Senator Chaney seconded the motion.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION,  
room 526-S Statehouse, at 11:00 a.m./~~p.m.~~ on February 3, 1984.

Senator Kerr suggested that the committee needed some review as to what these amendments do.

The chairman appointed a sub-committee of Senator Allen, chairman, and Senators Hayden and Montgomery to meet with Ernie Mosher to consider SB 464 and the amendments.

The chairman adjourned the meeting at 11:40 a.m. The committee will meet on Monday, February 6, at 11:00 a.m.

