

Approved _____ 4-29-84 _____
Date

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 9, 1984 in room 526S of the Capitol.

All members were present except: Senator Hayden (excused)

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

Conferees appearing before the committee:

Gerry Ray, Johnson County Board of Commissioners
Phil Martin, Property Valuation Dept.

The committee held a hearing on SB 597 which provides for an abatement of property taxes for residential property destroyed by calamity.

The chairman recognized Gerry Ray, representing the Johnson County Commissioners, who said this proposal came about because of several incidents in Johnson County when the commissioners felt they had a valid appeal from citizens who had lost their property in fire. She said the commissioners did not have the authority to grant relief from taxes to those citizens and the purpose of this bill was to assist people who had lost their shelter; it is intended to cover only single family residences and mobile homes. She said most insurance doesn't entirely cover the replacement of lost property and this would provide some help for these people in that they would not have to make tax payments. She said varied situations come up and all cannot be dealt with in specific legislation but the Board believes this would allow local government to be more responsible to citizens and to handle each case on an individual basis.

Phil Martin, Director of Property Valuation Dept., discussed some problems with this proposed legislation. (Attachment #1)

The chairman asked for an update on SB 467 which prohibits use of the trending factors. Senator Thiessen reported that staff is continuing to explore other alternatives.

The chairman appointed a sub-committee for SB 487, which provides for an income tax credit for qualified instructional equipment contributions, of Senator Montgomery, chairman, Senators Allen and Mulich.

A sub-committee was appointed by the chairman of Senator Allen, chairman, Senators Ehrlich and Johnston, to consider SB 517 which exempts rural water district construction projects from the sales tax.

The committee discussed SB 588 which requires prior experience for appointment as a county appraiser.

Senator Mulich made a conceptual motion to recommend that an interim study be made as to the experience requirements, duties and other matters pertaining to the role of county appraisers. Senator Chaney seconded the motion and the motion passed.

The chairman adjourned the meeting at 11:40 a.m. The committee will meet again on Monday, February 13.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

ASSESSMENT AND TAXATION

OBSERVERS
(PLEASE PRINT)

DATE	NAME	ADDRESS	REPRESENTING
Feb. 9	JANICE MARCUM	TOPEKA	P. V. D.
"	Tim Hutchings	Bunker Hill	PUD
"	Phil Martin	Topeka	K.A.R.
"	Todd Sherlock	Topeka	K.A.A.
"	Fred Allen	Topeka	Co. of Johnson
"	Jerry Ray	Olathe	H.B.A.K.
"	Janet Stubb	Topeka	Ks Legis. Policy Group
"	Chip Wheeler	"	K.C.A.
"	Dr. Lou Johnson	Overland Park	K.C.A.
"	DR. ELDON L. ELLIS	Spring Hill Ks.	K.C.A.
"	Dr. Thomas Duke	Kansas City	K.C.A.
"	Dr. Richard C. Laune	Olathe Ks.	K.C.A.
"	Dwight B. Laune	Olathe, KS	K.C.A.



Kansas
DEPARTMENT OF REVENUE

Attachment #1

State Office Building
TOPEKA, KANSAS 66625

M E M O R A N D U M

TO: Senate Assessment and Taxation Committee
FROM: Division of Property Valuation
DATE: February 6, 1984
SUBJECT: Senate Bill No. 597

The Division would like to call the Committee's attention to several aspects of Senate Bill 597 which we feel could create confusion and administrative problems.

First, the bill refers to "residential property" but does not specify if this is to apply to all residential property including apartment complexes, nursing homes, multi-purpose buildings, etc; or if the application is intended to be limited to just owner occupied, single family.

Further, the term "destroyed" is not defined. A strict interpretation of this term may find that if even the foundation and/or basement remain sound the structure was not "destroyed". While a more liberal interpretation may find that destruction in excess of the appraiser's value is totally destroyed. This concept is further complicated in Section 2, line 39 which refers to "abatement of all or any portion of the property tax". Is the county commission then charged with determining what proportion of the total value of a structure is lost if, for example, a roof is lost? We feel that the confusion resulting from different interpretation of the term "destroyed" would result in inconsistent administration between and among counties.

In addition, should this bill be passed, it would become effective upon publication thereby splitting tax year 1984.

It is also our opinion that constitutional questions may arise as to whether equal treatment is provided if one specific class of property is granted special treatment while others are excluded.

JSM:bkh

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2/9/84