

Approved On: \_\_\_\_\_

Minutes of the House Committee on Assessment and Taxation. The meeting was called to order by E. C. Rolfs, Chairman, at 9:00 a.m. on February 6, 1985 in room 519 South at the Capitol of the State of Kansas.

All members of the Committee were present.

Committee staff present:

Tom Severn, Legislative Research  
Melinda Hanson, Legislative Research  
Don Hayward, Reviser of Statutes  
Millie Foose, Committee Secretary

Representative Dyck, the primary sponsor of HB-2086, explained the bill. He then introduced Mr. Christianson, administrator of the Harvey Board of Commissioners, who also discussed HB-2086 and explained that it would allow partial payment of delinquent taxes. He believes this would benefit many taxpayers who may have problems due to illness or unemployment.

Mary Ladesic, county treasurer of Wyandotte County, testified as an opponent of HB-2086 for Wyandotte County as well as the Treasurer's Association. Atch. 1

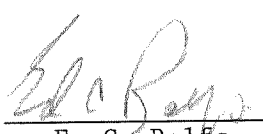
Ms. Ladesic said it was very difficult to be specific as the bill is vague in reference to partial payments -- not defining whether there should be monthly or quarterly payments and not specifying what is meant by partial payment. She said this bill would be a deterrent to prompt payment and would result in additional work and problems in processing and dispersing due to the fact that many counties have a computer program and partial payment would not work satisfactorily.

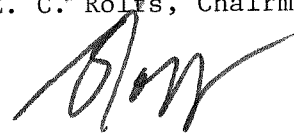
Representative Bideau, sponsor of HB-2096 which relates to collection of delinquent taxes on oil and gas property, discussed this bill. He then introduced Mr. Schnake, lobbyist for KIOGA, who also appeared as a proponent.

The hearings on HB-2119 were deferred until February 12, 1985.

The minutes of February 5, 1985 were reviewed. There being no changes, they were approved as presented.

There being no further business, the meeting was adjourned.

  
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E. C. Rolfs, Chairman



#1

HEARING ON HOUSE BILL 2086  
ASSESSMENT & TAXATION COMMITTEE  
FEBRUARY 5, 1985

HONORABLE MEMBERS OF ASSESSMENT AND TAXATION COMMITTEE:

MY NAME IS MARY LADESIC. I AM THE COUNTY TREASURER OF WYANDOTTE AND I AM HERE OPPOSING HOUSE BILL 2086 FOR MY COUNTY AS WELL AS THE TREASURER'S ASSOCIATION.

IT IS DIFFICULT TO BE SPECIFIC IN MY REMARKS, AS THIS BILL IS VAGUE IN REFERENCE TO PARTIAL PAYMENTS. IS THIS MONTHLY? QUARTERLY? IT IS NOT DEFINED WHAT IS INTENDED BY PARTIAL PAYMENT.

ON LINES 49 AND 50 OF SECTION B IT STATES "THE COUNTY TREASURER MAY ACCEPT LESS THAN A WHOLE YEARS DELINQUENT TAXES" MEANING IT IS NOT COMPULSORY, ALLOWING DIFFERENCES FROM COUNTY TO COUNTY.

IN JANUARY 1981, THE LEGISLATORS INCREASED THE RATE OF INTEREST FROM 12 TO 18% IN ORDER TO INDUCE PEOPLE TO PAY TAXES CURRENTLY. THIS BILL WOULD SURELY BE A DETERENT.

PARTIAL PAYMENTS WOULD RESULT IN CREATING A GREAT DEAL OF ADDITIONAL WORK AND PROBLEMS IN PROCESSING AND DISPERSING THE SAME. THE FOLLOWING ARE A FEW.

IN WYANDOTTE AS WELL AS MANY COUNTIES THROUGHOUT THE STATE, WE HAVE A COMPUTER PROGRAM THAT FIGURES THE INTEREST. THIS CANNOT BE USED FOR PARTIALS. ALSO, ANOTHER PROGRAM DONE BY COMPUTERS IS DISTRIBUTION. AGAIN IT WOULD NOT BE CAPABLE OF HANDLING PARTIALS. THIS WOULD ALL HAVE TO BE DONE MANUALLY. OUR COMPUTERS ARE SET UP

TO HANDLE TWO PAYMENTS. I DON'T KNOW HOW MANY PAYMENTS WE ARE TALKING ABOUT.

EACH PARCEL IS UNIQUE IN ITS TAX MAKEUP. SOME HAVE ONLY GENERAL TAX, OTHERS HAVE ONE OR MORE SPECIALS AND ALL HAVE ADVERTISEMENT AND VARYING AMOUNTS OF INTEREST. ACCEPTANCE OF PARTIAL PAYMENTS CANNOT BE UNIVERSAL SINCE EACH PARCEL IS UNIQUE. COLLECTIONS AND RECORDING OF THESE PARTIAL PAYMENTS WOULD REQUIRE MORE TIME AND ADDITIONAL COST INCURRED BY COUNTIES. THEN THERE IS THE QUESTION OF ADVERTISEMENT. AT WHAT POINT IS THIS COLLECTED?

OTHER AREAS THAT WOULD BE AFFECTED BY PASSAGE OF HOUSE BILL 2086 INCLUDE MORTGAGE FORECLOSURES, REFUNDS, BAD CHECKS AND ABSTRATOR'S TITLE WORK. EACH OF THESE SITUATIONS REQUIRE RESEARCH WORK PRIOR TO THEIR ACTUAL ENACTMENT AND INCLUDE THE AMOUNT OF TAX OWED AT THAT TIME. IN THE EVENT PARTIAL PAYMENTS ARE ACCEPTED, THIS ORIGINAL FIGURE REQUESTED IS NO LONGER ACCURATE. AS A RESULT, EACH OF THESE PROCESSES WOULD HAVE TO BE REWORKED BEFORE THEY COULD BE FINALIZED. AGAIN WE FEEL THIS BILL WOULD CREATE ADDITIONAL COST.

FINALLY, HOUSE BILL 2086 WOULD BE A DISADVANTAGE TO THE DELINQUENT TAXPAYER DUE TO THE FACT THAT THEY ARE ACTUALLY BEING CHARGED MORE INTEREST BECAUSE OF THE EXTENSION OF THE PAYMENT PERIOD. CERTAINLY THIS BILL DOES NOT HAVE THE TAXPAYER AT HEART.

ON BEHALF OF TREASURER'S ASSOCIATION AND MYSELF, I APPRECIATE YOUR KIND ATTENTION AND HOPE I HAVE INTRODUCED SOME INFORMATION AS TO WHY HOUSE BILL 2086 SHOULD NOT BE PASSED.