

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 13, 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

Representatives Rosenau and Harper presented a memoranda and proposed several committee amendments to HCR-5003. This resolution would authorize qualified electors in any taxing subdivision of the state to propose limitations on the levy of taxes by such subdivision by initiative petition. The proposed committee amendments would set the number of issues on the ballot. (Attachments 1 and 2)

Mr. Jim Kaup, staff attorney for League of Kansas Municipalities, read the testimony of Mr. E. A. Mosher, executive director of the League. The League opposes HCR-5003 as they believed that taxpayers have the opportunity to bring issues to a vote under current statutes. (Attachment 3)

Mr. Vic Miller, Director of Division of Property Valuation, presented a list of items which could be included in a certificate of value. (Attachment 4)

Mr. Pat Barnes, legislative counsel for the Kansas Motor Car Dealers, appeared to express the car dealers support for HB-2210. (Attachment 5)

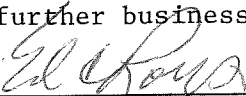
Mr. Scott Lambers, senior administrative assistant to the city manager of Overland Park, expressed the opposition of the Overland Park governing body to HB-2210. (Attachment 6)

Gerry Ray, legislative liaison for Johnson County Board of Commissioners, expressed opposition to HB-2210. Attachment 7.

Betty McBride, Cherokee County Treasurer and chairman of the county treasurer's legislative committee, related the concerns which county treasurers have with HB-2210. Attachment 8)

The minutes of February 12, 1985, were reviewed by the committee. There being no changes proposed, they were approved as presented.

There being no further business, the chairman adjourned the meeting.

  
\_\_\_\_\_  
E. C. Rolfs, Chairman

## MEMORANDUM

HCR 5003 would authorize the qualified electors in any taxing subdivision of the state to propose limitations on the levy of taxes by such subdivision. The concurrent resolution would require that to be sufficient the petition would require the signatures of not less than 25% of the total of the qualified electors of the subdivision and specifically state the type of limitations that the petitioners were requesting. If the petition is signed by a sufficient number of electors, the proposition will be submitted at the next general election in the taxing subdivision or at a special election called by the governing body. If the proposition is approved by a majority of the voters voting at such election the limitation on taxes approved by the voters would control for a period of three years unless during this three year period the question was again submitted to the voters and changed. This resolution specifically provides that the limitation approved by the people would govern even taxes levied by cities pursuant their constitutional authority under article 12, section 5 of the constitution.

Atch. 1  
H. AIT 2/13/85

## PROPOSED COMMITTEE REPORT

Be amended:

On page 2, in line 63, by striking the word "until" and inserting "for the three budget years next following the date of such election unless"; in line 66, preceding the period by inserting "prior to the end of such period";

Attachment  
2

Attch. 2  
H. AFT 2/13/85



## League of Kansas Municipalities

**PUBLISHERS OF KANSAS GOVERNMENT JOURNAL/112 WEST SEVENTH ST., TOPEKA, KANSAS 66603/AREA 913-354-9565**

To the House Committee on Assessment and Taxation  
By E.A. Mosher, Executive Director, League of Kansas Municipalities  
Re: HCR 5003--Constitutional Amendment: Initiative-Referendum  
on Property Taxes  
February 13, 1985

My name is E.A. Mosher, Executive Director of the League of Kansas Municipalities, appearing in opposition to HCR 5003. None of the Committees of the League have taken a formal position to date on this amendment proposal. However, we have consistently opposed such proposals in the past.

Our opposition to an initiative and referendum proposal on such matters stems from a strong belief in the representative system of government. The determination of local affairs, such as property tax levels, should be made by the locally elected governing body. Our representative system envisions that when elected officials levy taxes deemed excessive by a majority of the voters, they "throw the rascals out." In our judgement, this system has served us well, and we should not encumber the Constitution with such an initiative-referendum provision.

We call to your attention that K.S.A. 12-3013 now provides for an initiative and referendum procedure, whereby the voters may effectively mandate passage of a city ordinance or the submission of the ordinance to the voters. This procedure was used several years ago when the voters of Kansas City effectively mandated a referendum on a tax limitation proposition.

In addition to this existing initiative and referendum procedure applicable to cities, and in addition to the process whereby the voters hold officials accountable at the polls, we have the property tax lid law applicable to cities, and we even have a recall election procedure. We suggest there are already adequate safeguards built into our system to avoid uncontrolled taxation.

Finally, we would note that if the concept of initiative and referendum on property tax levels is good public policy under our representative system, then it is also valid as to all forms of taxation. And if the concept is valid in application to local taxes, it is equally valid in application to state taxes.

EAM:grs

*Atch. 3  
H. ALT 2/13/85*

President: Peggy Blackman, Mayor, Marion • Vice Presidents: Ed Eilert, Mayor, Overland Park • Past President: Jack Alexander, Commissioner, Topeka • Directors: Robert C. Brown, Commissioner, Wichita • John L. Carder, Mayor, Iola • Richard B. Chesney, City Manager, El Dorado • Constance M. Conyac, Commissioner, Stockton • Robert Creighton, Mayor, Atwood • Irene B. French, Mayor, Merriam • Donald L. Hamilton, City Clerk/Administrator, Mankato • Carl D. Holmes, Mayor, Plains • John E. Reardon, Mayor, Kansas City • David Retter, City Attorney, Concordia • Melly K. Schmidt, Mayor, Hays • Deane P. Wiley, City Manager, Garden City • Executive Director: E.A. Mosher



*Melinda*  
*Kansas*  
DEPARTMENT OF REVENUE

State Office Building  
TOPEKA, KANSAS 66625

TO: Representative Ed Rolfs, Chairman  
Assessment & Tax Committee  
FROM: Victor W. Miller, Director, Division of Property Valuation  
DATE: February 13, 1985

Dear Ed:

Please find below a list of items which could be included in a certificate of value and would aid in the determination of whether the transaction was "arm's length" and ought to be included in the ratio study. I will be available Friday to respond to questions about this list.

1. Was this a sale of convenience (e.g. to correct defects in title, create joint tenancy, etc.)?
2. a) Was this a sale between relatives?  
b) Was this a sale between related businesses? (e.g. between corporate affiliates, or two corporations with the same ownership, etc.)
3. Was this a sale or transfer of property in connection with a foreclosure or other such legal action?
4. If the property was purchased by way of contract for deed, provide year contract was initiated \_\_\_\_\_.
5. Were personal property items included in the total sale price (excluding fixtures such as wall-to-wall carpeting, built-in appliances, draperies, etc.)?
6. Have improvements been added to this property since January 1?
7. Has the property been damaged or structures demolished since January 1?
8. Was a trade of property involved in this sale?

*Atch. 4*  
*V. W. Miller, 2/13/85*

BEFORE THE HOUSE COMMITTEE ON ASSESSMENT AND  
TAXATION REGARDING HOUSE BILL 2210

Mr. Chairman, Members of the Committee, I am Pat Barnes, legislative counsel for the Kansas Motor Car Dealers Association. Today I appear before you to express the KMCD's support for House Bill 2210. This bill is needed to preserve the spirit and performance of free market competition in the sale of automobiles in Kansas.

This bill embraces the idea that the benefits of competition are best promoted without the interference of taxation which is unequal and destabilizing in its effect. House Bill 2210 would require that the local or county sales tax (compensating taxes as defined in the bill) generated by the sale of a new and used motor vehicle be collected by the county treasurer at the time the vehicle is registered.

Although this bill appears to exempt vehicle sales from county-wide and city retailer's sales taxes, in effect, these sales would still be subject to these local taxes since the bill would impose a compensating tax equivalent to the local sales tax rates presently in effect in the city and county where the vehicle is registered. The taxes in all actuality which are currently in place would, in effect, still be paid. The only real difference between the system proposed by H.B. 2210 and the present system is the point of collection for the tax.

This legislation would provide several distinct advantages to both the state and the automobile dealers. First, it

*Atch. 5  
H. A+T; 2/13/85*

would accelerate the collection and receipt of revenue to the State of Kansas, while at the same time eliminating the possible expense and loss of revenue through the failure or liquidation by bankruptcy of vehicle dealers, both new and used. Second, it would eliminate the overhead for the dealers collecting, reporting and accounting for sales tax revenue now collected by such dealers in connection with vehicle sales. Third, and of great concern to the dealer, is the fact the dealer now must pay the sales tax where the purchaser defaults on his loan.

For example, assume the purchase of an automobile is financed through General Motors Acceptance Corporation or a bank. Included in the finance purchase price is the sales tax. When the loan is approved, GMAC, or the bank providing the financing arrangement provides the customer with the funds to pay the dealer for the vehicle purchase. In turn, the dealer reports and accounts for the sales tax and eventually pays it to the state. Further assume the customer then defaults on his loan and the lending agency looks to the dealer to pay the entire amount of the loan because, as is common, it was "with recourse". In this situation the dealer has not only paid the state, city and county sales tax owed, but now must also pay the original loan which included the sales taxes. The net result is that the dealer has had to absorb the sales tax and a repossession. The effect of this system on a dealer, especially a small dealer, can be devastating and expensive. In the end, the dealer has paid the sales taxes twice.

Finally, and most important, the inception of city and county-wide retail sales taxes has created inequalities in the free market system of competitive pricing for vehicle sales in this state. Previous to these local taxes all vehicle dealers offer their customers pricing basically unaffected by taxes. In many cities and counties across the state this is now impossible because local taxes are collected at the point of sale rather than the point of registration. A list of the cities and counties with local retail sales tax levies is provided in the attachment to my testimony. This list was obtained from the Department of Revenue. (Approximately 57 of our 105 counties have county-wide sales taxes.)

Local sales taxes, as they are currently administered, give the dealer in a neighboring city and county that does not have local taxes a price advantage. One can escape local taxes and save a great deal of tax money on the purchase of a car by simply driving to a city and county with lower or no local taxes.

The present system allows someone who may have voted for a local tax and who surely uses city and county services and who drives on the streets of their home city and county to escape full payment of those taxes his neighbors pay on their purchases.

These people use the parks and necessary fire and police protection provided by the localities where they live. As full time residents they make much greater use of those services than those of the local taxing jurisdictions benefiting from the



disparity created by the present local sales tax system of collection.

While we recognize the cities and counties now benefiting from the present system have expenses to maintain similar to those just mentioned, it is fair to point out the people benefiting the most from these services are not those who live in other cities or counties who stop by to purchase a car. In addition, smaller counties do not have the broad tax base, especially from a sales tax standpoint, and alternative revenue sources enjoyed by some of the more developed counties.

Several examples exist to underscore the problem H.B. 2210 will correct. First, Junction City and Geary County each have instituted 1% sales taxes. Topeka has a 1% city sales tax. This effectively means a buyer purchasing a car for \$10,000 in Junction City pays \$100 more for the same car his neighbor bought in Topeka. A second example is illustrated by the City of Ottawa which has a 1% city sales tax and Franklin County which also has a 1% county tax. To the north, Lawrence has a .5% sales tax. A resident of Ottawa can drive the short distance to Lawrence and save 1.5% on his vehicle purchase. These are price disparities which a dealer cannot avoid in many instances. Finally, one of our dealers from Cowley County has estimated he loses approximately 25 vehicle sales each month because of the present law. The present system deprives the local economy of sales income while benefiting a neighboring locality which may not need the funds.

nearly so bad.

People may not drive up to 60 or 70 miles to buy groceries, but they will to avoid paying the taxes generated on the sale of a \$15,000 car. Only by paying the tax generated by the sale of the vehicle directly at the point of registration can the loophole presently in existence be eliminated.

No further cost would be created for counties in doing this since H.B. 2210 also allows the county treasurer to collect a 50¢ fee for this service. This fee could be increased if necessary, even in the present bill. Also, it would appear throughout the state that our county treasurers are already set up to collect this tax. Their offices are in existence for the purpose, in part, of collecting taxes. It is my understanding that under the present system, the dealer issues a receipt for tax and the buyer still must show the treasurer evidence local and state taxes are paid. If this is not shown, then the treasurer collects these taxes when the car is registered or the car is simply not registered. Property tax due is also collected. Presently, the county treasurer already collects the entire tax for isolated vehicle sales. There would be no significant administrative burden created or loss of revenue for the county or state since all vehicles must eventually be registered. In all cases, proof of the sale is provided and if more is required it can simply be requested locally by the county treasurer or added to this bill.

We urge the adoption of this legislation. By adopting ~~this legislation,~~ Kansas auto-dealers will once again be placed on an equal competitive footing with their neighbors throughout the state and government will operate more efficiently.

Thank you.



*Don [unclear]*

# Kansas

## DEPARTMENT OF REVENUE

State Office Building  
TOPEKA, KANSAS 66625

### NOTICE

**TO: KANSAS RETAILERS WITH MULTIPLE BUSINESS LOCATIONS**  
**FROM: KANSAS SALES AND EXCISE TAX BUREAU**  
**SUBJECT: LOCAL RETAILERS' SALES TAX**

Effective November 1, 1984, the following cities and counties will either impose a local retailers' sales tax on all retail sales or increase the local retailers' sales tax rate currently in effect:

CITY OR COUNTY	LOCAL CODE	COUNTY	COUNTY NO.	TAX RATE	<i>effective</i>
<b>CITIES</b>					
<i>Emporia</i>	<i>T-194</i>	<i>Lyon</i>	<i>013</i>	<i>1/2%</i>	<i>9-1-84</i>
Anthony	T-195	Harper	051	1/2%	
*Clay Center	T-124	Clay	041	Increased 1/2 to 1%	
*Delphos	T-196	Ottawa	065	1%	
Elwood	T-197	Doniphan	045	1%	
Oxford	T-198	Sumner	012	1%	
St. Marys	T-172	Pottawatomie	039	Increased 1/2 to 1%	
Tonganoxie	T-199	Leavenworth	007	1/2%	
*Weir	T-200	Cherokee	010	1%	
Winfield	T-145	Cowley	008	Increased 1/2 to 1%	
<i>Plainville</i>	<i>T-201</i>	<i>Rocks</i>	<i>076</i>	<i>1/2%</i>	<i>2-1-85</i>
<b>COUNTIES</b>					
Decatur	C-074	Decatur	074	1%	
Gove	C-088	Gove	088	1%	
Meade	C-086	Meade	086	1%	
Stafford	C-059	Stafford	059	1%	
Stanton	C-104	Stanton	104	1%	

\*City located within a county which also imposes a local sales tax.

All retail sales which are subject to the three percent (3%) Kansas retailers' sales tax will also be subject to the local retailers' sales tax with the following exceptions:

- (1) Sales of farm machinery and equipment, repair and replacement parts for farm machinery and equipment, and services performed in the repair and maintenance of farm machinery and equipment; and
- (2) Sales of machinery and equipment for use in manufacturing plants located in Kansas and used in the process of manufacturing personal property which will be subject to taxation under the Kansas Retailers' Sales Tax Act.

Therefore, as of November 1, 1984, the state tax and applicable local tax will be collected on all taxable sales except those listed above. Only the state tax (3%) will be collected on sales of new farm machinery and equipment, and new and used manufacturing machinery and equipment. Sales of used farm machinery and equipment; repair and replacement parts for farm machinery and equipment, and services performed in the repair and maintenance of farm machinery and equipment are exempt from both state and local retailers' sales tax.

To assist retailers in the collection of state and local sales taxes, schedules employing the combined state and local sales tax rates of three and one-half percent (3 1/2%), four percent (4%), four and one-half percent (4 1/2%), and five percent (5%) are available upon request.

Should you have any questions regarding the application of the local sales tax for your business, please write to the Sales and Excise Tax Bureau, Kansas Department of Revenue, State Office Building, Topeka, Kansas 66625, or call Area Code 913, 296-2461.

10/1/84

**KANSAS DEPARTMENT OF REVENUE  
SALES AND EXCISE TAX BUREAU**

**ALPHABETICAL LISTING OF COUNTY AND CITY LOCAL TAXING JURISDICTIONS**

**COUNTIES**

<u>COUNTY</u>	<u>CO. NO.</u>	<u>LOCAL CODE</u>	<u>TAX RATE</u>	<u>EFFECTIVE</u>
ALLEN	024	C-024	0.5%	11/01/82
ANDERSON	052	C-052	1.0%	01/01/83
BARBER	067	C-067	1.0%	02/01/83
BARTON	033	C-033	1.0%	11/01/82
BROWN	025	C-025	1.0%	11/01/82
CHAUTAUQUA	063	C-063	1.0%	02/01/83
CHEROKEE	010	C-010	1.0%	11/01/82
CLAY	041	C-041	0.5%	11/01/82
CRAWFORD	004	C-004	1.0%	11/01/83
DICKINSON	018	C-018	1.0%	07/01/83
EDWARDS	079	C-079	1.0%	11/01/83
ELK	068	C-068	1.0%	11/01/82
FINNEY	071	C-071	0.5%	11/01/81
FORD	035	C-035	0.5%	01/01/83
FRANKLIN	021	C-021	1.0%	07/01/83
GEARY	047	C-047	1.0%	*10/01/78
GRAY	089	C-089	1.0%	02/01/83
GREELEY	105	C-105	1.0%	11/01/82
HASKELL	101	C-101	0.5%	01/01/83
JACKSON	042	C-042	1.0%	11/01/82
JEFFERSON	046	C-046	1.0%	05/01/83
JEWELL	043	C-043	1.0%	02/01/83
JOHNSON (a)	019	C-019	0.5%	10/01/75
KIOWA	085	C-085	1.0%	11/01/82
LABETTE	011	C-011	1.0%	09/01/81
LINCOLN	066	C-066	1.0%	02/01/83
LOGAN	095	C-095	1.0%	11/01/82
MCPHERSON	026	C-026	1.0%	07/01/82
MIAMI	031	C-031	1.0%	07/01/83
MITCHELL	055	C-055	1.0%	11/01/82
MORRIS	054	C-054	1.0%	11/01/82
NEMAHA	034	C-034	1.0%	11/01/82
NEOSHO	022	C-022	0.5%	11/01/82
OSAGE	029	C-029	1.0%	11/01/82
OSBORNE	056	C-056	0.5%	01/01/83
OTTAWA	065	C-065	1.0%	02/01/83
PAWNEE	069	C-069	1.0%	07/01/83
PRATT	053	C-053	1.0%	07/01/82
RAWLINS	077	C-077	1.0%	02/01/83
RENO	006	C-006	0.5%	11/01/77
REPUBLIC	040	C-040	1.0%	11/01/82
RICE	048	C-048	1.0%	11/01/82
RILEY	030	C-030	0.5%	02/01/83
SALINE	014	C-014	1.0%	11/01/82
SCOTT	096	C-096	1.0%	05/01/82
SEWARD (a)	084	C-084	1.0%	*11/01/80
SHERMAN	080	C-080	1.0%	02/01/83
THOMAS	078	C-078	1.0%	11/01/82
WABAUNSEE	062	C-062	1.0%	02/01/83
WASHINGTON	037	C-037	1.0%	02/01/83
WICHITA	102	C-102	1.0%	11/01/82
WYANDOTTE (a)	001	C-001	1.0%	*01/01/84

**CITIES**

<u>CITY</u>	<u>LOCAL CODE</u>	<u>COUNTY</u>	<u>CO. NO.</u>	<u>TAX RATE</u>	<u>EFFECTIVE</u>
**ABILENE	T-180	DICKINSON	018	0.5%	05/01/83
ARKANSAS CITY	T-108	COWLEY	008	0.5%	10/01/78
**ARMA	T-161	CRAWFORD	004	0.5%	11/01/82
ATCHISON	T-109	ATCHISON	015	1.0%	*08/01/83
AUBURN	T-192	SHAWNEE	003	1.0%	07/01/84
BALDWIN	T-136	DOUGLAS	016	0.5%	01/01/82
BASEHOR	T-158	LEAVENWORTH	007	0.5%	07/01/82
**BAXTER SPRINGS	T-150	CHEROKEE	010	0.5%	07/01/82
**BONNER SPRINGS	T-143	WYANDOTTE	001	0.5%	10/01/81
CALDWELL	T-122	SUMNER	012	1.0%	*11/01/82
CANEY	T-123	MONTGOMERY	005	1.0%	*11/01/82
**CHANUTE	T-117	NEOSHO	022	0.5%	10/01/79
CHERRYVALE	T-133	MONTGOMERY	005	1.0%	*11/01/82
**CLAY CENTER	T-124	CLAY	041	0.5%	11/01/80
COFFEYVILLE	T-125	MONTGOMERY	005	1.0%	*05/01/84
**COLUMBUS	T-151	CHEROKEE	010	0.5%	07/01/82
CONCORDIA	T-142	CLOUD	036	1.0%	*02/01/83
**DE SOTO	T-152	JOHNSON	019	0.5%	07/01/82
DIGHTON	T-181	LANE	097	1.0%	07/01/83
**DODGE CITY	T-148	FORD	035	0.5%	12/01/81
**EDGERTON	T-153	JOHNSON	019	0.5%	07/01/82
EFFINGHAM	T-190	ATCHISON	015	1.0%	11/01/83

(OVER)

<u>TY</u>	<u>LOCAL CODE</u>	<u>COUNTY</u>	<u>CO. NO.</u>	<u>TAX RATE</u>	<u>EFFE</u>	<u>E</u>
	T-147	MORTON	094	0.5%	11/01/81	
ELKHART	T-187	ELLIS	038	1.0%	11/01/83	
ELLIS	T-182	ELLSWORTH	064	1.0%	07/01/83	
ELLSWORTH	T-162	NEOSHO	022	0.5%	11/01/82	
**ERIE	T-163	DOUGLAS	016	0.5%	11/01/82	
EUDORA	T-183	JOHNSON	019	0.5%	09/01/83	
**FAIRWAY	T-189	BOURBON	017	1.0%	01/01/84	
FORT SCOTT	T-164	CRAWFORD	004	0.5%	11/01/82	
**FRONTENAC	T-050	CHEROKEE	010	1.0%	*07/01/84	
**GALENA (a)	T-177	FINNEY	071	0.5%	02/01/83	
**GARDEN CITY	T-165	JOHNSON	019	0.5%	11/01/82	
**GARDNER	T-166	CRAWFORD	004	0.5%	11/01/82	
**GIRARD	T-184	CLOUD	036	1.0%	07/01/83	
GLASCO	T-167	ELLIS	038	0.5%	11/01/82	
HAYS	T-119	DICKINSON	018	0.5%	07/01/80	
**HERINGTON	T-126	BROWN	025	0.5%	11/01/80	
**HIAWATHA	T-127	BROWN	025	0.5%	11/01/80	
**HORTON	T-128	STEVENS	092	0.5%	11/01/80	
HUGOTON	T-149	ALLEN	024	0.5%	01/01/82	
**HUMBOLDT	T-134	MONTGOMERY	005	0.5%	02/01/81	
INDEPENDENCE	T-144	ALLEN	024	0.5%	11/01/81	
**IOLA	T-168	GEARY	047	1.0%	11/01/82	
**JUNCTION CITY	T-129	WYANDOTTE	001	1.0%	*01/01/84	
**KANSAS CITY	T-185	KEARNY	098	1.0%	07/01/83	
LAKIN	T-154	LEAVENWORTH	007	0.5%	07/01/82	
LANSING	T-160	DOUGLAS	016	0.5%	07/01/71	
LAWRENCE (a)	T-051	LEAVENWORTH	007	0.5%	07/01/77	T. 1.0% to 1% 5-1-85
LEAVENWORTH (a)	T-111	JOHNSON	019	1.0%	*01/01/84	
**LEAWOOD	T-118	JOHNSON	019	1.0%	*02/01/84	
**LENEXA	T-155	MIAMI	031	0.5%	07/01/82	
**LOUISBURG	T-300	RILEY	030	1.0%	*11/01/82	
**MANHATTAN (a)	T-169	SUMNER	012	0.5%	11/01/82	
MAYFIELD	T-116	JOHNSON	019	1.0%	*02/01/84	
**MERRIAM	T-115	JOHNSON	019	0.5%	02/01/79	
**MISSION	T-193	ALLEN	024	0.5%	07/01/84	
**MORAN	T-130	WILSON	027	1.0%	*02/01/83	
NEODESHA	T-107	RILEY	030	1.0%	*11/01/82	
**OGDEN (a)	T-120	JOHNSON	019	1.0%	*02/01/84	
**OLATHE	T-170	POTTAWATOMIE	039	1.0%	11/01/82	
ONAGA	T-137	MIAMI	031	0.5%	07/01/81	
**OSAWATOMIE	T-114	FRANKLIN	021	0.5%	02/01/79	
**OTTAWA	T-106	JOHNSON	019	1.0%	*02/01/84	
**OVERLAND PARK (a)	T-138	MIAMI	031	0.5%	07/01/81	
**PAOLA	T-139	JEFFERSON	046	0.5%	07/01/81	
**PERRY	T-135	CRAWFORD	004	0.5%	02/01/81	
**PITTSBURG	T-140	FRANKLIN	021	0.5%	07/01/81	
**POMONA	T-110	JOHNSON	019	1.0%	*02/01/84	
**PRAIRIE VILLAGE	T-159	JOHNSON	019	1.0%	*03/01/84	
**ROELAND PARK	T-172	POTTAWATOMIE	039	0.5%	11/01/82	
ST. MARYS	T-146	CHAUTAUQUA	063	0.5%	11/01/81	
**SEDAN	T-131	JOHNSON	019	0.5%	11/01/80	
**SHAWNEE	T-112	KINGMAN	057	0.5%	01/01/79	
SPIVEY	T-156	JOHNSON	019	1.0%	*02/01/84	
**SPRING HILL	T-173	HASKELL	101	0.5%	01/01/83	
**SUBLETTE	T-191	HAMILTON	100	1.0%	06/01/84	
SYRACUSE	T-030	SHAWNEE	003	1.0%	*11/01/82	
TOPEKA (a)	T-174	WOODSON	072	0.5%	11/01/82	
TORONTO	T-188	GRANT	103	1.0%	11/01/83	
ULYSSES	T-178	TREGO	083	1.0%	02/01/83	
WAKEENEY	T-132	CLAY	041	1.0%	*11/01/82	
**WAKEFIELD	T-175	POTTAWATOMIE	039	1.0%	*09/01/83	
WAMEGO	T-113	SUMNER	012	1.0%	*07/01/83	
WELLINGTON	T-179	POTTAWATOMIE	039	0.5%	02/01/83	
WESTMORELAND	T-141	JOHNSON	019	1.0%	*02/01/84	
**WESTWOOD	T-121	JOHNSON	019	1.0%	*02/01/84	
**WESTWOOD HILLS	T-157	FRANKLIN	021	0.5%	07/01/82	
**WILLIAMSBURG	T-186	ELLSWORTH	064	1.0%	09/01/83	
WILSON	T-145	COWLEY	008	0.5%	10/01/81	
WINFIELD	T-176	WOODSON	072	0.5%	11/01/82	
YATES CENTER						

\* Tax rate increased from 1/2% to 1% on this date.  
\*\* Also subject to county local tax.

(a) The provisions of K.S.A. 12-190, which exempts the sales of new farm machinery or equipment and new or used manufacturing machinery or equipment from the imposition of local sales tax, does not apply when such sale is made by a retailer located within these local taxing jurisdictions.

This listing includes all those counties and cities imposing a local retailers' sales tax, including those which become effective through July 1, 1984.

Should you have any questions regarding the application of local retailers' sales tax, please direct your inquiries to the Kansas Department of Revenue, Sales and Excise Tax Bureau, State Office Building, Topeka, Kansas 66625, or call Area Code 913, 296-2461.

REMARKS BY SCOTT LAMBERS  
BEFORE THE HOUSE ASSESSMENT AND TAXATION COMMITTEE  
REGARDING HOUSE BILL 2210

WEDNESDAY, FEBRUARY 13, 1985

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, MY NAME IS SCOTT LAMBERS AND I AM THE SENIOR ADMINISTRATIVE ASSISTANT TO THE CITY MANAGER OF OVERLAND PARK. ON BEHALF OF OUR GOVERNING BODY, I WOULD LIKE TO EXPRESS OUR OPPOSITION TO HOUSE BILL 2210.

THIS BILL, IF ENACTED INTO LAW, WOULD BE A SIGNIFICANT POLICY CHANGE WITH UNKNOWN FINANCIAL IMPACTS.

GIVEN THE MAGNITUDE OF THE POLICY CHANGE IN QUESTION, IT IS OUR POSITION THAT THE FINANCIAL IMPACT OF THIS BILL SHOULD FIRST BE DETERMINED IN ORDER FOR THIS COMMITTEE TO MAKE AN INFORMED DECISION.

THEREFORE, I WOULD URGE THE COMMITTEE TO RECOMMEND THIS BILL AS NOT FAVORABLE FOR PASSAGE, AND I THANK YOU FOR YOUR CONSIDERATION IN THIS REGARD.

*Atch. 6  
H. ACT, 2/13/85*

JOHNSON COUNTY KANSAS

*Office of the Board of County Commissioners*

JOHNSON COUNTY COURTHOUSE  
OLATHE, KANSAS 66061  
782-5000

HOUSE ASSESSMENT AND TAXATION COMMITTEE  
HEARING ON HOUSE BILL NO. 2210  
WEDNESDAY, FEBRUARY 13, 1985  
TESTIMONY OF GERRY RAY, LEGISLATIVE LIAISON  
JOHNSON COUNTY BOARD OF COMMISSIONERS

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE. MY NAME IS GERRY RAY, I APPEAR TO EXPRESS THE OPPOSITION OF THE JOHNSON COUNTY BOARD OF COMMISSIONERS TO HOUSE BILL 2210.

A NUMBER OF YEARS AGO, AFTER MANY HOURS OF STUDY AND DISCUSSION THE KANSAS LEGISLATURE ADOPTED A POLICY THAT ESTABLISHED THE PROPER SITUS FOR THE COLLECTION OF SALES TAX.

IN THE OPINION OF THE STATE DEPARTMENT OF REVENUE AND MANY LOCAL OFFICIALS THAT POLICY AND THE ACCOMPANYING PROCEDURES ARE WORKING WELL. HOWEVER, HOUSE BILL 2210 IS THE THIRD BILL TO BE HEARD IN TWO DAYS THAT WOULD CHANGE THE POLICY ON THE SITUS FOR MOTOR VEHICLES. THE PROPOSED CHANGES CAUSE CONCERN TO OUR COUNTY NOT FOR JUST THE IMMEDIATE LOSE OF REVENUE THAT WOULD RESULT, BUT ALSO CONCERN AS TO HOW FAR THE MOVEMENT WILL GO. WHAT OTHER CATAGORIES WILL EVENTUALLY BE INCLUDED. IN OTHER WORDS WHERE DO THE CHANGES STOP?

LOCAL GOVERNMENTS HAVE ESTABLISHED BUDGETARY PRACTICES AND LONG RANGE PLANS BASED ON A DECISION MADE BY THE STATE LEGISLATURE. TO REVERSE THAT DECISION AND CAUSE A REDISTRIBUTION OF SALES TAX REVENUE WILL ONLY SERVE TO CREATE CONFUSION AND DIFFICULTY IN MANY COUNTIES AND CITIES.

THE JOHNSON COUNTY COMMISSIONERS ASK FOR YOUR HELP TO RETAIN THE POLICY THAT IS CURRENTLY IN PLACE.

Attachment

7

Feb. 7  
H. A. T. 2/13/85



Betty McBride, Treasurer

CHEROKEE COUNTY, KANSAS



COLUMBUS, KANSAS 66725

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE:

I AM BETTY MCBRIDE, CHEROKEE COUNTY TREASURER AND CHAIRMAN OF THE COUNTY TREASURER'S LEGISLATIVE COMMITTEE. I WANT TO THANK THIS COMMITTEE FOR ALLOWING ME THE TIME TO EXPRESS THE SINCERE CONCERNS WHICH COUNTY TREASURERS HAVE WITH HOUSE BILL #2210.

IF PASSED, HOUSE BILL #2210 WILL PROVIDE THAT DEALERS COLLECT THE STATES' 3% COMPENSATING TAX AND COUNTY TREASURERS WOULD COLLECT LOCAL RETAILERS AND COMPENSATING USE TAX. THE RESULT WOULD BE SALES TAX COLLECTION IN TWO LOCATIONS ON THE SAME SALE. THIS WOULD CERTAINLY ADD GREATER CONFUSION FOR THE CONSUMER WHO ALREADY MUST DEAL WITH CONSTANTLY CHANGING RULES AND REGULATIONS. HIDDEN COSTS WOULD BE AN ADDED FACTOR, AS CONSUMERS WOULD NOT BE PREPARED TO PAY ADDITIONAL SALES TAX THEY THOUGHT WAS ALREADY PAID TO THE DEALER WHEN COMING TO THE TREASURERS OFFICE FOR VEHICLE REGISTRATION. THERE COULD ALSO BE AN ESCAPE OF TAX OR DELAYED TAX PAYMENT IF THE PURCHASER DELAYS COMING TO THE COUNTY TREASURERS OFFICE FOR REGISTRATION. THIS WOULD RESULT IN LOSS OF REVENUE TO THE STATE AS WELL AS THE COUNTY.

SHOULD THIS COMMITTEE RECOMMEND PASSAGE OF HOUSE BILL #2210 THERE ARE SOME ADMINISTRATIVE SUGGESTIONS WE WOULD ASK BE AMENDED INTO THE BILL. THE 50¢ COLLECTION FEE WHICH THE COUNTY RETAINS FOR EACH SALES TAX COLLECTED HAS BEEN OMITTED FROM HOUSE BILL #2210. FOR CONSISTENCY IN COLLECTION AND IN ORDER TO STANDARDIZE THE FEES COLLECTED AND TO AVOID CONFUSION IN THE TREASURERS OFFICE, WE FEEL THIS FEE SHOULD BE IMPLEMENTED AS PART OF HOUSE BILL #2210. SINCE THE TAX COLLECTED BY THE COUNTY TREASURERS WILL BE A LOCALIZED TAX, COLLECTED FOR LOCAL TAX ENTITIES WITHIN THE COUNTY, THERE WOULD BE NO NEED TO SEND THIS TAX TO THE STATE EACH MONTH SINCE IT WOULD HAVE TO BE REMITTED BACK TO THE COUNTY. WE WOULD SUGGEST

Attachment  
8

Atch. 8  
S. Atch. 2/13/85

THAT COUNTIES REMIT DIRECTLY TO TAX ENTITIES THE PORTION OF TAX DUE EACH OF THEM.

WORKLOADS IN COUNTY TREASURERS' OFFICES WOULD BECOME GREATER WITH THE IMPLEMENTATION OF HOUSE BILL #2210. THIS COULD RESULT IN ADDITIONAL EMPLOYEES AND ADDED COSTS TO THE COUNTY.

WE ASK YOUR SERIOUS CONSIDERATION BEFORE RECOMMENDING PASSAGE OF HOUSE BILL #2210.

THANK YOU.

RESPECTFULLY,



BETTY MCBRIDE  
CHEROKEE COUNTY TREASURER  
CHAIRMAN, TREASURERS LEGISLATIVE  
COMMITTEE

