

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 25, 1985 in room 519 South at the Capitol of the State of Kansas.

The following members were absent (excused):

Representatives Ott, Adam, Wunsch, Fry, Spaniol, Reardon, Leach

Committee staff present:

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

Mr. Harley Duncan, Department of Revenue, requested that the committee introduce a bill to amend K.S.A 79-3304, governing the qualifications of those persons eligible to be licensed as cigarette retailers and wholesalers. (Attachment 1) Representative Rolfs explained that Representative Wunsch had requested introduction of a bill dealing with liquor taxes. The committee agreed to introduce the bills by unanimous consent.

Representative Vancrum explained HB-2269 (an act relating to property taxation, providing authority for boards of county commissioners to abate or provide credit against property taxes levied upon residential property destroyed by calamity) which was the subject of an interim committee study.

Gerry Ray, legislative liaison for Johnson County Board of Commissioners, testified as a proponent for HB-2269. (Attachment 2)

Bev Bradley, speaking for Kansas Association of Counties, presented some concerns about HB-2269 if there was a major disaster. (Attachment 3)

Mr. Victor Miller, director of Division of Property Valuation, discussed the constitutionality of limiting the credit to residential property and suggested some changes that should be made. This completed the testimony on HB-2269.

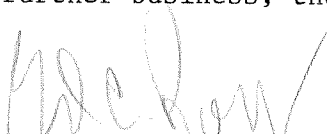
Mr. Michael Byington, representing Topeka Resource Center for the Handicapped, testified as a proponent of HB-2276 (An act relating to income taxation; providing a credit therefrom for costs incurred by a disabled person in maintaining a residence). (Attachment 4)

Mr. Don Hayward explained HB-2313 (An act relating to the taxation of income; providing for deduction of qualified investments in small businesses). There were no testifiers and this concluded the hearing on HB-2313.

Mr. Charlie Burkhart discussed HB-2211 (An act concerning certificate of value forms used for assessment-sales ratio study purposes) and explained that PVD did not have enough information on reproduction costs to carry out the mandates in HB-2211. There was also discussion whether the bill should be amended to include electric companies.

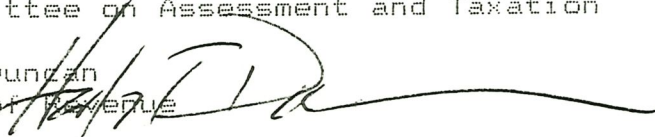
The minutes of February 22 were reviewed. There being no change, they were approved as presented.

There being no further business, the meeting was adjourned.

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

MEMORANDUM

TO: The Honorable Ed C. Rolfs, Chairman  
House Committee on Assessment and Taxation

FROM: Harley T. Duncan  
Secretary of Revenue 

RE: Request for Legislation

The Department of Revenue wishes to request introduction of a bill to amend K.S.A. 79-3304 governing the qualifications of those persons eligible to be licensed as cigarette retailers and wholesalers. Current law requires that a license shall be refused to a person (including a corporation) who has been convicted of a felony crime involving moral turpitude or cigarette and tobacco laws and who has within the last two years finished serving the sentence for that crime. The Department proposes to amend this statute to make such refusal discretionary rather than mandatory.

The Department requests this legislation because current law places us in the position of denying persons the ability to do business in Kansas for activities that may in no way be related to the conduct of their business in Kansas. Given such circumstances, the Department feels that administrative discretion is desirable. The Department can still fulfill what I perceive to be the intent of current law with this amendment.

I must be frank with you and admit that this request comes before you at this time because of a situation we are currently facing. A sizeable corporation with some 25 retail cigarette outlets has been convicted of a felony violation of federal tax law. This act was allegedly committed by one or a few individuals and was unrelated to the operations of the corporation in Kansas.

With the requested change, the Department could deal with this type of situation without the company having to resort to various maneuvers to continue their operations should they so desire. We could still, however, deny licenses to those whose prior activities caused them to be questionable cigarette vendors which is what I think the statute was intended to address.

I would be glad to attempt to answer any questions.

JOHNSON COUNTY KANSAS

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*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. 2269

MONDAY, FEBRUARY 25, 1985

TESTIMONY OF GERRY RAY, LEGISLATIVE LIAISON  
JOHNSON COUNTY BOARD OF COMMISSIONERS

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE. MY NAME IS GERRY RAY, LEGISLATIVE LIAISON FOR THE JOHNSON COUNTY BOARD OF COMMISSIONERS. I WOULD LIKE TO SPEAK AS A PROPONENT OF HOUSE BILL 2269.

AS A LITTLE BACKGROUND, THIS PROPOSAL WAS FIRST MADE BY JOHNSON COUNTY IN 1983 FOR AN INTERM STUDY. IN THE 1984 SESSION A BILL WAS INTRODUCED THAT PASSED THE SENATE BUT DID NOT COME UP FOR COMMITTEE HEARING IN THE HOUSE. SO IN THE BELIEF THAT PERSERVERANCE PAYS, THE REQUEST WAS AGAIN MADE A PART OF THE COMMISSIONER'S 1985 LEGISLATIVE PROGRAM AND HOUSE BILL 2269 WAS INTRODUCED.

THE BILL GRANTS THE BOARD OF COUNTY COMMISSIONERS, SITTING AS THE BOARD OF EQUALIZATION, THE AUTHORITY TO ABATE REAL PROPERTY TAX ON A RESIDENCE DESTROYED BY FIRE, WIND OR OTHER CALAMITY. IT IS PERMISSIVE LEGISLATION WHICH ALLOWS THE LOCAL OFFICIALS TO DECIDE EACH CASE ON AN INDIVIDUAL BASIS. THIS WOULD APPLY TO ONLY THE UNINCORPORATED AREA, THUS THE MAJORITY OF THE TAX INVOLVED WOULD BE COUNTY REVENUE.

WHEN THE COMMISSIONERS FIRST CONCEIVED THE IDEA THEY THOUGHT THERE WOULD BE LITTLE PROBLEM IN GETTING IT SUCCESSFULLY THROUGH THE LEGISLATURE. AT THE TIME THE BOARD HAD RECENTLY FACED A SITUATION IN WHICH THEY FELT SUCH AN ABATEMENT WAS PROPER, BUT FOUND THEY WERE LEGALLY UNABLE TO TAKE THE ACTION. THEIR VIEW THEN AND NOW IS THAT THIS LEGISLATION PROVIDES A MEANS FOR GOVERNMENT TO RESPOND TO THE NEEDS OF CITIZENS WHEN THOSE CITIZENS HAVE EXPERIENCED THE LOSS OF THEIR HOME AND COMPASSION IS IN ORDER.

IN OUR BOARDS JUDGMENT IT IS LOGICAL THAT WHEN SUCH A NEED ARISES, LOCAL OFFICIALS ARE CLOSE TO TO THE SITUATION AND SHOULD HAVE THE FREEDOM TO DEAL WITH IT. IN ORDER TO PROVIDE THEM THIS FREEDOM THE COMMISSIONERS ASK THAT YOU CONSIDER HOUSE BILL 2269 FAVORABLY.

# Kansas Association of Counties

*Serving Kansas Counties*

Suite D, 112 West Seventh Street, Topeka, Kansas 66603

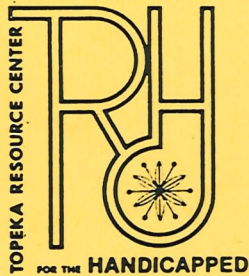
Phone 913 233-2271

February 25, 1985

I am Bev Bradley from Kansas Association of Counties. I came before you to-day to present some concerns about HB-2269.

If there is a major disaster, for instance the tornado a couple of years here in Topeka, it becomes an administrative nightmare for appraisers and would be an appreciable erosion of the tax roles. Almost all the houses were repaired or replaced and reoccupied by the time tax statements were issued.

We do however, favor, the authority be placed with the board of County Commissioners if any kind of exemption were to be allowed.



**MITCH COOPER, L.M.S.W.**  
Executive Director

# TOPEKA RESOURCE CENTER FOR THE HANDICAPPED

West Tenth Professional Building  
1119 West Tenth Topeka, Kansas 66604

Telephone  
913-233-6323  
TTY-233-6788

## TESTIMONY OF MICHAEL BYINGTON

### HOUSE BILL 2276

Representative Runnels is in Washington this morning, and asked me to be here to offer a few remarks on this bill. It is indeed a pleasure to do so. This bill was requested by Vera Rodecap, a constituent of Representative Runnels. Ms. Rodecap can not be here this morning as she is hospitalized.

This bill addresses a need of the working, tax paying, handicapped person. Persons who fall under the definition of a handicapped person as shown in this bill often have additional home repair and maintenance costs because they must hire services done which non-handicapped persons can do themselves. This bill is designed to provide a small step toward equalization in reference to this issue.

At this writing, I have not seen a fiscal note, but I would ask you to recall that it was anticipated that the handicapped accessibility tax credit passed a couple of years ago was supposed to have a rather large fiscal note, and in fact, has had virtually none at all. Unfortunately, with over 60% of the handicapped population either unemployed or underemployed in such work as sheltered or part time endeavors, there are apparently not as many handicapped people finding benefit in tax credits as there should be. Nonetheless, handicapped people who do enter the workforce, or return to it after a severe injury, should have the opportunity for some small compensation for expenses they must cover in reference to home repair and maintenance, and which they would not have if they were able to do the work themselves.