

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 27, 1986 in room 519 South at the Capitol of the State of Kansas.

The following members were absent (excused):

Representatives Aylward and Lowther

Committee staff present:

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

Mr. Jamie Schwartz testified as a proponent for ~~HB~~-3004, an act relating to income taxation; providing a credit therefrom for qualified research expenditures.

Dr. Bradford discussed this subject and said that seventeen states have some tax credit for research and development, and that there are only four states behind Kansas in this area. Dr. Bradford said the state would receive many benefits if it were to encourage research and development in this way. Many of the employees would be highly paid and this would benefit the state. Also, many Kansas graduate students would no doubt find employment and remain in Kansas instead of accepting a position in some other state.

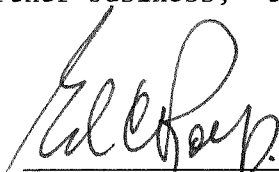
Ron Gaches, representing Boeing, said this would be beneficial for Boeing. He said they now have a large staff testing and researching for better methods -- not just for now but looking as much as fifteen years into the future. He believes it is very important for Kansas to add incentives to encourage firms to come to Kansas for research and development. He then answered questions from committee members.

HB-2994, an act relating to the taxation of property; concerning the assessment sales ratio study, was considered. Representative Wunsch moved, second by Representative Smith, that the word "may" be struck and the word "shall" be inserted. The motion carried. There were questions by the committee concerning contract sales which were answered by Dr. Severn. Representative Wunsch moved, second by Representative Moomaw, that the bill as amended be passed. The motion carried.

There was discussion on HB-2959, an act relating to country-wide retailers' sales taxes; concerning the apportionment and use of revenues therefrom. Representative Ott moved, second by Representative Wunsch, that HB-2959 be recommended favorably for passage. The motion carried. Representatives Spaniol and Erne wish to be recorded as voting no.

The minutes of February 26 were approved.

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



Ed C. Rolfs, Chairman