

Approved On: 3/4/87

Minutes of the House Committee on Taxation. The meeting was called to order by E. C. Rolfs, Chairman, at 9:00 a.m. on March 3, 1987 in room 519 South at the Capitol of the State of Kansas.

The following members were absent (excused):

Representatives Lowther, Vancrum and Francisco

Committee staff present:

Tom Severn, Legislative Research
Chris Courtright, Legislative Research
Don Hayward, Reviser of Statutes
Millie Foose, Committee Secretary

Representative Smith moved, second by Representative Fuller, that the bills requested by the Kansas Appraisers Association be introduced. The motion carried.

Willie Martin, representing the Sedgwick County Board of Commissioners, spoke as a proponent for HB-2338 - AN ACT relating to property taxation; concerning advisory hearing panels to county boards of equalization. She said passage of this bill would benefit taxpayers and Commissioners and that the advisory panels could provide expertise of members in the area of property appraisal and valuation. (Attachment 1)

Winnie Kingman, representing Shawnee County Board of Commissioners, requested that Shawnee County be amended into HB-2338, as the Commissioners believe the reappraisal process could be handled in a more responsible manner. (Attachment 2) Committee members questioned whether this would apply to other counties after appraisal and whether panel members of the advisory board would be reimbursed. Darold Main also appeared as a proponent. This concluded the public hearing on HB-2338.

Representative William Bryant spoke as a proponent of HB-2283 - AN ACT relating to property taxation; concerning the authority to abate penalties for late filing of statements listing certain property. (Attachment 3) He emphasized the passage of HB-2283 would remove some of the caseload from the State Board of Tax Appeals and place it on the local level.

Mr. Fred Weaver also discussed the bill. He believes the cost estimates are too low and that guidelines should be prepared. He questioned who would exercise authority over appraisers. He also believes that the 50% is too punitive and recommended reducing the penalty. This concluded the public hearing on HB-2338.

The minutes of the March 2 meeting were approved.

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



E. C. Rolfs, Chairman



SEDGWICK COUNTY, KANSAS

INTERGOVERNMENTAL COORDINATOR

WILLIE MARTIN

COUNTY COURTHOUSE • SUITE 315 • WICHITA, KANSAS 67203-3759 • TELEPHONE (316) 268-7552

March 3, 1987

TO: HOUSE TAXATION COMMITTEE

**Re: House Bill 2338
ADVISORY HEARING PANELS**

**From: Willie Martin, Intergovernmental Coordinator
Sedgwick County**

Mr. Chairman and Members of the Committee, I am Willie Martin representing the Sedgwick County Board of Commissioners.

K.S.A. 1985 Supp. 79-1602 was amended in the 1986 session to grant the Board of Johnson County Commissioners authority to appoint one or more advisory hearing panels to assist in handling taxpayer appeals concerning valuations of real property made during the statewide reappraisal process. The advisory panel would then present its recommendations to the County Board for final determination.

Extending this option to Sedgwick County would be advantageous to both the taxpayers and the Commissioners. There are approximately 164,239 parcels of property in Sedgwick County. If only 5% of the valuations were appealed, 8200 appeals and hearings would result. Without assistance, it would be impossible for the Commission to handle such a volume with reasonable expediency or provide adequate review.

A further benefit advisory panels could provide is the expertise of members in the area of property appraisal and valuation. This could help ensure equitable and adequate review of the appeals. House Bill 2338 further amends K.S.A. 1985 Supp. 79-1602 to prescribe guidelines governing the composition and duties of such panels.

I respectfully request that you recommend House Bill 2338 favorably.



Shawnee County
Board of Commissioners

Rm. 205, Courthouse Topeka, Kansas 66603-3970
(913) 295-4040

Winifred Kingman, 1st district
Velma Paris, 2nd district
Tom Hanna, 3rd district

February 27, 1987

The Honorable Edward C. Rolfs, Chairman
And Members of the Taxation Committee
Statehouse, Room 155E
Topeka, KS 66612

Dear Chairman Rolfs & Members:

At the regular meeting of the Board of Shawnee County Commissioners on February 27, 1987, the majority of the Commissioners voted to request that Shawnee County be amended into House Bill 2338.

The Shawnee County Commissioners are very concerned how tax appeals will be handled on a timely basis after reappraisal. By adding Shawnee County to this bill, the Shawnee County Commissioners believe the reappraisal process can be handled in a more responsible manner in our County.

Your consideration of our request is greatly appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Winnie Kingman".

Winnie Kingman
Chairman
Shawnee County Commission

WK/jr



TOPEKA

HOUSE OF
REPRESENTATIVES

WILLIAM M. BRYANT, D.V.M.
REPRESENTATIVE SIXTY THIRD DISTRICT
WASHINGTON, REPUBLIC AND
NORTHERN RILEY COUNTIES
RURAL ROUTE 2
WASHINGTON, KANSAS 66968

COMMITTEE ASSIGNMENTS
VICE CHAIRMAN INSURANCE
MEMBER AGRICULTURE AND SMALL BUSINESS
FEDERAL AND STATE AFFAIRS

House Bill 2283

Testimony for Taxation Committee
March 3, 1987

House Bill 2283 deals with the authority to abate the penalty placed on a taxpayer who is late filing his or her property tax statement whenever the cause is excusable neglect.

As you know, if your property tax statement is not filed on time, you are subject to a penalty. It is very stiff and progresses from 10% within 30 days to 50% if you are over 60 days late. Currently the authority to abate such a penalty lies in the hands of the State Board of Tax Appeals.

I have introduced this bill after considering its request by the Commissioners of Washington County. A year ago they found out that they had no authority over the application of this penalty. These County Commissioners, myself, and others listed as sponsors of this bill feel that they should have some authority over the abatement of this penalty. Whenever a county taxpayer feels that he has been aggrieved by some officer in the courthouse, the commissioners are the obvious people for him to go and see. I would submit to you that most taxpayers think that the commissioners are their first line of appeal.

The passage of this bill would remove some of the caseload from the State Board of Tax Appeals, and place it at home on the local level where it belongs. Not only is it closer for the local taxpayer, but all records relating to the case would be close at hand also. Under this bill, the only changes deal with the penalty itself and not the taxes.

If the taxpayer did not like the ruling of the county commissioners, he could still appeal to the state board.

In visiting with a member of the state board and having legislative research check into some of their penalty abatements, it seems that

their greatest fear, if they give up this function, is that 105 different ways of defining excusable neglect would evolve. However, in their own words they have stated that sometimes the penalty is abated totally, sometimes partially, and sometimes not at all. I can't think of too many other combinations that a board of county commissioners could come up with other than these.

Research was unable to procure a list of what type or number of abatements the state board has rendered, but our local county attorney has watched their verdicts for Washington County for the last year or so. He informs me that he has not seen any cases where they have not failed to at least reduce the penalty. There were at least 2 orders where the taxpayer claimed he mailed the rendition and the penalty was abated in its entirety, even though the county appraiser had no record of ever receiving it. There were at least two others where penalties were abated in the entirety in which the taxpayer stated he simply forgot to file the rendition. Due to the liberal definition given to the phrase "excusable neglect" by the Board of Tax Appeals, I can see no problem with such issues being dealt with locally.

Dr. Bill Bryant
Representative
63 District