

Approved On: _____

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 23, 1988 in room 519 South at the Capitol of the State of Kansas.

The following members were absent (excused):

Representatives Vancrum

Committee staff present:

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

Representative Mary Jane Johnson spoke as a proponent for HB-2861 - AN ACT relating to the registration of motor vehicles; creating a lien for the failure to register. She explained that Wyandotte County is losing a great deal of money because some people use old license plates and fail to register a new car. Mr. Ron Hoyler, a Wyandotte County police officer who is working with the County Tag Program, also spoke as a proponent and explained the difficulty they have collecting from some car owners. (Attachment 1) Representative Alfred Ramirez also spoke as a proponent because everyone should pay a fair share.

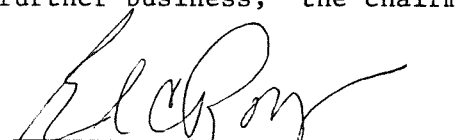
Mr. Tom Whitaker, Governmental Relations Director for the Kansas Motor Carriers Association, objected to some of the language in the bill because the proposed language would create a lien for any and all unpaid personal property taxes. He believes that proper remedies presently exist for the collection of all such taxes and that there are, throughout the statutes, adequate remedies for the proper register of these vehicles without the impoundment of any vehicle -- and there are provisions for the proper collection of applicable property taxes. (Attachment 2) Mr. Whitaker also said that if the Committee does intend to consider this measure more fully, his organization would like to have the opportunity to work with the issue to resolve the several questions they have.

Harley Duncan, Secretary of Revenue, presented comparisons of various tax reform plans -- the Governor's plan as introduced, the bill approved by the Senate Assessment and Taxation Committee, the bill approved by the Senate Committee of the Whole, and the bill prepared by the House Committee on Taxation. (Attachment 3) This material includes a summary of the substantive features of the bills, a summary of the fiscal effects, and a spreadsheet showing distribution of the individual income tax changes by income bracket for the years 1988 and 1989.

In answer to questions from committee members. Secretary Duncan described the four plans and what is included in each.

The minutes of the March 22 meeting were approved.

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


Ed C. Rolfs, Chairman

To: Members, Taxation Committee
From: Joint Kansas City, Kansas/Wyandotte County
Tag Enforcement Unit
Re: House Bill 2861

HOUSE BILL 2861 (the proposed amendment to K.S.A. 8-127)
IS IN THE BEST INTEREST OF ALL TAXPAYERS OF KANSAS.

It will allow law enforcement officers who now tow
unregistered vehicles to impound and hold vehicles UNTIL
THE OWNERS PAY ALL THE OUTSTANDING REGISTRATION FEES, PERSONAL
PROPERTY TAXES AND PENALTIES THEREON.

Under current law, personal property taxes are not due
until such time as a vehicle is registered. The State has no
way of knowing how much tax is owed until such time as the vehicle
is registered and the vehicle identification number is checked.
A LOOPHOLE IN THE EXISTING LAW HAS THE EFFECT OF ALLOWING OWNERS
OF VEHICLES TO EVADE PAYMENT OF THEIR PERSONAL PROPERTY TAXES
ALTOGETHER BY FAILING TO REGISTER THESE VEHICLES IN KANSAS.

Under current law, the owner can GET BY WITH JUST PAYING
A \$10.00 TICKET, HAVING HIS UNREGISTERED VEHICLE RETURNED TO HIM
WITHOUT PAYING REGISTRATION FEES, BACK TAXES AND PENALTIES OWED
ON THE VEHICLE. THESE TAX EVADERS THEN CONTINUE TO OPERATE
WITH SWITCHED TAGS OR NO TAGS, STILL OWING THOUSANDS OF DOLLARS
WORTH OF TAXES.

House Bill 2861 will be an EFFECTIVE TOOL for ALL OF THE
COUNTIES THROUGHOUT THE STATE to COLLECT THESE DELINQUENT
TAXES and TO ENSURE PAYMENT OF REGISTRATION FEES AS WELL AS
PERSONAL PROPERTY TAXES & PENALTIES.

Thus, the tax burden of the average taxpaying citizen will
be relieved by getting these tax evaders to pay their fair share
of registration fees, personal property taxes & penalties.

STATEMENT

By The

KANSAS MOTOR CARRIERS ASSOCIATION

Concerning H.B. 2861 which provides
for the impoundment of certain vehicles.

Presented to the House Committee on
Taxation, Rep. Ed Rolfs, Chairman;
Statehouse, Topeka, Wednesday, March
23, 1988.

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I am Tom Whitaker, Governmental Relations Director for the Kansas Motor Carriers Association with offices in Topeka. I am here this morning along with Mary Turkington, our Executive Director, representing our member-firms and the highway transportation industry, to question the purpose and the application of the proposed language in House Bill 2861.

As we read the proposed legislation, H.B. 2861 would apply to any person who owns or operates a motor vehicle within this state in violation of K.S.A. 8-127. The language in 8-127 includes "(a) Every owner of a motor vehicle, motorized bicycle, trailer or semitrailer intended to be operated upon any highway in this state, whether such owner is a resident of this state or another state, or such motor vehicle, motorized bicycle, trailer or semitrailer is based in this state or another state shall, before any such vehicle is operated in this state, apply for and obtain registration in this state under the provisions of K.S.A. 8-126 to 8-149, inclusive, and acts amendatory thereof or supplemental thereto "

The proposed legislation apparently would apply to all vehicles subject to 8-127 (although the reference to motor vehicles adds some complexity to the intent of the language).

We are not certain what problem the bill intends to address. The language literally subjects all vehicles to impoundment for any violation of 8-127. The proposed language however, would create a lien for any and all unpaid personal property taxes.

The committee is well aware that the "tax and tags law" applies only to those vehicles registered for 12,000 lbs. and less gross weight. These vehicles are defined in K.S.A. 79-5101. Further, as we understand it, K.S.A. 79-5116 sets out procedures for the collection of past due or underpaid motor vehicle taxes due under the "tax and tag law."

We believe proper remedies presently exist for the collection of all such taxes for these vehicles.

There is a substantial number of vehicles subject to K.S.A. 8-127 which are not governed by the "tax and tag law" and which apparently could be subject to impoundment under H.B. 2861 -- but which would not necessarily owe any "unpaid personal property taxes."

There are, throughout the statutes, adequate remedies for the proper registration of these vehicles without the impoundment of any vehicle -- and provisions for the proper collection of applicable property taxes.

Under the provisions of H.B. 2861 it appears to us that a vehicle operated one day after a registration deadline -- could be impounded. Or--a vehicle for which the registration is paid quarterly, could be delinquent one day and be subject to impoundment under H.B. 2861. Owners could be inconvenienced with impoundment of a vehicle without owing one cent of unpaid personal property tax. We cannot support such a proposal.

There are additional questions with respect to proper notice and procedures involving any lien on such vehicles. We have not attempted to raise these questions at this time. However, if the Committee does intend to consider this measure more fully, we would ask for the opportunity to work with this issue to resolve the several questions our industry has in connection with H.B. 2861. Application of the lien language currently in the bill poses substantial problems in our judgment.


We would be pleased to attempt to answer any questions you may have. Thank you for the opportunity to bring these questions to you on H.B. 2861.

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KANSAS DEPARTMENT OF REVENUE
Office of the Secretary
Robert B. Docking State Office Building
Topeka, Kansas 66612-1588

MEMORANDUM

TO: The Reader

FROM: Harley T. Duncan
Secretary of Revenue 

RE: Material on Various Tax Reform Plans

DATE: March 21, 1988

The attached material compares the various tax reform plans. The plans compared include: (a) the Governor's as introduced; (b) the bill approved by the Senate Assessment and Taxation Committee; (c) the bill approved by the Senate Committee of the Whole; and (d) the bill prepared by the House Committee on Taxation.

The material presented includes a summary of the substantive features of the bills, a summary of the fiscal effects, and a spreadsheet showing distribution of the individual income tax changes by income bracket for tax years 1988 and 1989.

Tax Plan Comparison

Item	Governor's Plan		Senate Tax Committee		Senate Committee of the Whole		House Tax Committee	
INDIVIDUAL INCOME TAX								
Standard Deduction								
Married	\$5,000		\$5,000		\$5,000		\$5,000	
Single	\$3,000		\$3,000		\$3,000		\$3,000	
Head of Household	\$4,400		\$4,400		\$4,400		\$4,400	
Additional Standard Deduction for Elderly and Blind								
Married	\$600		\$600		\$600		\$600	
Single	\$750		\$750		\$750		\$750	
Head of Household	\$750		\$750		\$750		\$750	
Personal Exemption - 1988	\$1,950		\$1,950		\$1,950		\$1,950	
Personal Exemption - 1989	\$2,000		\$2,000		\$2,000		\$2,000	
Fed. Tax Deductible (Y/N)	N		N		Y		N	
Itemized Deductions	Federal		Federal		Federal		Federal	
Rates: Married	\$0-\$37.5	4.15%	\$0-\$37.5	4.15%	\$0-\$6	4.0%	\$0-\$37.5	4.15%
	\$37.5-Over	5.4%	\$37.5-Over	5.4%	\$6-\$10	5.0%	\$37.5-Over	5.4%
					\$10-\$14	5.25%		
					\$14-\$20	5.5%		
					\$20-\$40	5.75%		
					\$40-\$50	7.5%		
					\$50-Over	9.0%		
Rates: Single	\$0-\$25	4.8%	\$0-\$25	4.8%	\$0-\$3	4.0%	\$0-\$25	4.8%
	\$25-Over	6.2%	\$25-Over	6.0%	\$3-\$5	5.5%	\$25-Over	6.2%
					\$5-\$10	5.75%		
					\$10-\$20	6.25%		
					\$20-\$25	8.0%		
					\$25-Over	9.0%		
Treatment of Bond Interest	All Excluded		All Excluded		New Issues		Current Law	
Credit for Elderly and Blind	No Credit		\$60 Non-Refundable		\$60 Non-Refundable		\$70/Limited Non-Refundable	
Head of Household Treatment	No		Extra Exemption		No		Extra Exemption	
Prospective Conformity: (Y/N)								
Standard Deduction	N		N		N		Y	
Personal Exemption	N		N		N		Y	
Itemized Deduction	N		N		N		Y	
Other Features					Tax Year 1987 Itemized Deduction For Unreimbursed Business Expenses		Tax Year 1987 Kansas Taxpayers Not Required to File a Federal Return May Ask For a Refund of Their Kansas Liability	
Indiv. Tax Effect - FY 1989	(\$21.3)		(\$33.8)		(\$41.6)		(\$32.1)	
Indiv. Tax Effect - FY 1990	(\$26.1)		(\$30.6)		(\$39.8)		(\$28.2)	

Tax Plan Comparison

BUSINESS TAX PROVISIONS	Governor's Plan	Senate Tax	Senate Comm. of the Whole	House Tax
Corporate Rate Reduction	No	Yes, Base Rate 4%	Yes, Base Rate 4%	No
Alternative Minimum Tax	Yes	No	No	Yes
NOL Carryback Repeal	Yes	Yes	Yes	Yes
Apportionment Modification	Yes	Yes	Yes	Yes
Mfct. Mach. Sales Tax Exempt	Yes	No	No	Yes
Bus. Tax Effects - FY 1989	(\$4.0)	(\$4.4)	(\$4.4)	(\$4.0)
Bus. Tax Effects - FY 1990	\$0.3	\$0.8	\$0.8	\$0.3
Total Tax Effect - FY 1989	(\$25.3)	(\$38.2)	(\$46.0)	(\$36.1)
Total Tax Effect - FY 1990	(\$25.8)	(\$30.6)	(\$39.0)	(\$27.9)
Revenue Effect of Permanent Tax Features	(\$37.1)	(\$41.9)	(\$50.3)	(\$39.2)

KANSAS DEPARTMENT OF REVENUE
3/18/88

FISCAL EFFECTS OF TAX REFORM BILLS
 Compared to Current Law
 Amounts in Millions

FY 1989

	GOVERNOR	SEN. TAX	SEN. WHOLE	HOUSE TAX
Individual Income	\$(21.3)	\$(33.8)	\$(41.6)	\$(32.1)
Business Taxes				
Corporate Rates	- 0 -	(7.1)	(7.1)	0.0
Sales Tax Exemption	(6.7)	0.0	0.0	(6.7)
AMT	0.0	0.0	0.0	0.0
NOL	3.7	3.7	3.7	3.7
Apportionment	(1.0)	(1.0)	(1.0)	(1.0)
TOTAL	\$(25.3)	\$(38.2)	\$(46.0)	\$(36.1)

FY 1990

Individual Income	\$(26.1)	\$(31.4)	\$(39.8)	\$(28.2)
Business Taxes				
Corporate Rates	0.0	(9.5)	(9.5)	0.0
Sales Tax Exemption	(16.0)	0.0	0.0	(16.0)
AMT	6.0	0.0	0.0	6.0
NOL	11.3	11.3	11.3	11.3
Apportionment	(1.0)	(1.0)	(1.0)	(1.0)
TOTAL	\$(25.8)	\$(30.6)	\$(39.0)	\$(27.9)

KANSAS DEPARTMENT OF REVENUE
 MARCH 17, 1988

SIMULATION 7177

TAX YEAR 1988

Governor's Proposal

Single Rates	\$0-\$25,000	4.80%
	\$25,000-Over	6.20%
Married Rates	\$0-\$37,500	4.15%
	\$37,500-Over	5.40%

Kansas Department of Revenue

Individual Income Tax In Tax Year 1988
Resident Taxpayers

Governor's Tax Reform Proposal

Liability Dollars are in Millions

K.A.G.I. Bracket	Married					Single					Total Residents				
	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate
No K.A.G.I.	9,684	0.0%	\$0.00	\$0.00	0.0%	4,526	0.0%	\$0.00	\$0.00	0.0%	14,211	0.0%	\$0.00	\$0.00	0.0%
\$0 - \$5	16,947	-95.8%	(\$0.02)	(\$1.42)	0.0%	110,421	-95.9%	(\$1.16)	(\$10.49)	0.0%	127,368	-95.9%	(\$1.18)	(\$9.29)	0.0%
\$5 - \$15	72,105	-55.7%	(\$4.40)	(\$61.00)	0.5%	168,316	-4.5%	(\$1.45)	(\$8.59)	1.9%	240,421	-14.7%	(\$5.84)	(\$24.31)	1.4%
\$15 - \$25	93,368	-6.4%	(\$2.13)	(\$22.85)	1.7%	95,474	-1.3%	(\$0.74)	(\$7.75)	3.0%	188,842	-3.2%	(\$2.87)	(\$15.21)	2.3%
\$25 - \$35	97,474	-1.8%	(\$1.22)	(\$12.53)	2.3%	37,789	-1.6%	(\$0.62)	(\$16.53)	3.4%	135,263	-1.7%	(\$1.85)	(\$13.65)	2.6%
\$35 - \$50	112,211	-1.8%	(\$2.28)	(\$20.31)	2.6%	19,684	0.4%	\$0.12	\$6.10	3.7%	131,895	-1.4%	(\$2.16)	(\$16.37)	2.8%
\$50 - \$100	93,263	-1.8%	(\$3.11)	(\$33.33)	2.9%	7,368	3.3%	\$0.67	\$90.66	4.4%	100,632	-1.2%	(\$2.44)	(\$24.25)	3.0%
\$100 - Over	13,895	-0.2%	(\$0.25)	(\$18.12)	4.9%	1,158	0.3%	\$0.04	\$34.73	5.3%	15,053	-0.2%	(\$0.21)	(\$14.06)	5.0%
Total	508,947	-2.5%	(\$13.42)	(\$26.36)	2.8%	444,737	-1.7%	(\$3.14)	(\$7.06)	2.9%	953,684	-2.3%	(\$16.56)	(\$17.36)	2.8%
Fiscal Impact:			(\$13.42)					(\$3.14)					(\$16.56)		
All Taxpayers:			(\$21.29)			Non-Resident:		(\$4.74)							

SIMULATION 7177.2 TAX YEAR 1989

Governor's Proposal
 Kansas Personal Exemption is \$2,000

Married	\$0 - \$37,500	4.15%
	\$37,500 - Over	5.40%
Single	\$0 - \$25,000	4.80%
	\$25,000 - Over	6.20%

Kansas Department Of Revenue

Individual Income Tax In Tax Year 1989
 Resident Taxpayers

SIMULATION 7177.2

Liability Dollars are in Millions

K.A.G.I. Bracket	Married					Single					Total Residents				
	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate
No K.A.G.I.	9,684	0.0%	\$0.00	\$0.00	0.0%	4,526	0.0%	\$0.00	\$0.00	0.0%	14,211	0.0%	\$0.00	\$0.00	0.0%
\$0 \$5	16,947	-95.8%	(\$0.02)	(\$1.42)	0.0%	110,421	-95.9%	(\$1.16)	(\$10.50)	0.0%	127,368	-95.9%	(\$1.18)	(\$9.29)	0.0%
\$5 \$15	72,105	-57.6%	(\$4.55)	(\$63.06)	0.4%	168,316	-5.7%	(\$1.83)	(\$10.85)	1.9%	240,421	-16.0%	(\$6.37)	(\$26.51)	1.4%
\$15 \$25	93,368	-8.0%	(\$2.68)	(\$28.74)	1.6%	95,474	-1.9%	(\$1.05)	(\$10.96)	3.0%	188,842	-4.2%	(\$3.73)	(\$19.75)	2.3%
\$25 \$35	97,474	-2.8%	(\$1.88)	(\$19.27)	2.3%	37,789	-2.0%	(\$0.76)	(\$19.99)	3.4%	135,263	-2.5%	(\$2.63)	(\$19.47)	2.6%
\$35 \$50	112,211	-2.4%	(\$3.07)	(\$27.36)	2.6%	19,684	0.1%	\$0.03	\$1.71	3.7%	131,895	-2.0%	(\$3.04)	(\$23.02)	2.8%
\$50 \$100	93,263	-2.2%	(\$3.89)	(\$41.70)	2.9%	7,368	3.1%	\$0.64	\$86.41	4.4%	100,632	-1.6%	(\$3.25)	(\$32.32)	3.0%
\$100 Over	13,895	-0.3%	(\$0.38)	(\$27.46)	4.9%	1,158	0.3%	\$0.03	\$29.18	5.3%	15,053	-0.3%	(\$0.35)	(\$23.10)	5.0%
Total	508,947	-3.1%	(\$16.47)	(\$32.37)	2.7%	444,737	-2.2%	(\$4.08)	(\$9.18)	2.9%	953,684	-2.9%	(\$20.56)	(\$21.55)	2.8%
iscal Impact:			(\$16.47)					(\$4.08)					(\$20.56)		
All Taxpayers:			(\$26.10)			Non-Resident:		(\$5.55)							

SENATE TAX COMMITTEE BILL

"TAX YEAR 1988"

A \$60 Non-Refundable Credit for Elderly and Blind Taxpayers
Additional \$1,950 Personal Exemption for Head of Household

Married	\$0 - \$37,500	4.15%
	\$37,500 - Over	5.40%
Single	\$0 - \$25,000	4.80%
	\$25,000 - Over	6.00%

Kansas Department Of Revenue

Individual Income Tax In Tax Year 1988
Resident Taxpayers

SENATE TAX COMMITTEE BILL

Liability Dollars are in Millions

K.A.G.I. Bracket	Married					Single					Total Residents				
	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate
No K.A.G.I.	9,684	0.0%	\$0.00	\$0.00	0.0%	4,526	0.0%	\$0.00	\$0.00	0.0%	14,211	0.0%	\$0.00	\$0.00	0.0%
\$0 \$5	16,947	-95.8%	(\$0.02)	(\$1.42)	0.0%	110,421	-95.9%	(\$1.16)	(\$10.49)	0.0%	127,368	-95.9%	(\$1.18)	(\$9.29)	0.0%
\$5 \$15	72,105	-65.3%	(\$5.15)	(\$71.48)	0.4%	168,316	-11.8%	(\$3.75)	(\$22.30)	1.7%	240,421	-22.4%	(\$8.91)	(\$37.05)	1.3%
\$15 \$25	93,368	-9.2%	(\$3.08)	(\$33.02)	1.6%	95,474	-5.5%	(\$3.13)	(\$32.74)	2.9%	188,842	-6.9%	(\$6.21)	(\$32.88)	2.2%
\$25 \$35	97,474	-2.5%	(\$1.71)	(\$17.59)	2.3%	37,789	-4.5%	(\$1.73)	(\$45.68)	3.3%	135,263	-3.2%	(\$3.44)	(\$25.43)	2.6%
\$35 \$50	112,211	-2.1%	(\$2.67)	(\$23.80)	2.6%	19,684	-2.7%	(\$0.81)	(\$41.34)	3.6%	131,895	-2.2%	(\$3.48)	(\$26.42)	2.8%
\$50 \$100	93,263	-2.0%	(\$3.53)	(\$37.80)	2.9%	7,368	-0.2%	(\$0.04)	(\$4.83)	4.3%	100,632	-1.8%	(\$3.56)	(\$35.38)	3.0%
\$100 Over	13,895	-0.4%	(\$0.42)	(\$29.94)	4.9%	1,158	-3.0%	(\$0.35)	(\$303.55)	5.1%	15,053	-0.6%	(\$0.77)	(\$50.99)	4.9%
Total	508,947	-3.1%	(\$16.59)	(\$32.59)	2.7%	444,737	-5.8%	(\$10.97)	(\$24.66)	2.8%	953,684	-3.8%	(\$27.55)	(\$28.89)	2.8%
Fiscal Impact:			(\$16.59)					(\$10.97)					(\$27.55)		
All Taxpayers:			(\$33.68)			Non-Resident:		(\$6.13)							

SENATE TAX COMMITTEE BILL

"TAX YEAR 1989"

Additional \$2,000 Personal Exemption for Head of Household

Married	\$0 - \$37,500	4.15%
	\$37,500 - Over	5.40%
Single	\$0 - \$25,000	4.80%
	\$25,000 - Over	6.00%

Kansas Department Of Revenue
Individual Income Tax In Tax Year 1989
Resident Taxpayers

SENATE TAX COMMITTEE BILL

Liability Dollars are in Millions

K.A.G.I. Bracket	Married					Single					Total Residents				
	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate
No K.A.G.I.	9,684	0.0%	\$0.00	\$0.00	0.0%	4,526	0.0%	\$0.00	\$0.00	0.0%	14,211	0.0%	\$0.00	\$0.00	0.0%
\$0 \$5	16,947	-95.8%	(\$0.02)	(\$1.42)	0.0%	110,421	-95.9%	(\$1.16)	(\$10.50)	0.0%	127,368	-95.9%	(\$1.18)	(\$9.29)	0.0%
\$5 \$15	72,105	-57.6%	(\$4.55)	(\$63.06)	0.4%	168,316	-8.4%	(\$2.68)	(\$15.93)	1.8%	240,421	-18.2%	(\$7.23)	(\$30.07)	1.4%
\$15 \$25	93,368	-8.0%	(\$2.68)	(\$28.74)	1.6%	95,474	-4.9%	(\$2.75)	(\$28.76)	2.9%	188,842	-6.1%	(\$5.43)	(\$28.75)	2.3%
\$25 \$35	97,474	-2.8%	(\$1.88)	(\$19.27)	2.3%	37,789	-4.1%	(\$1.57)	(\$41.56)	3.3%	135,263	-3.2%	(\$3.45)	(\$25.49)	2.6%
\$35 \$50	112,211	-2.4%	(\$3.07)	(\$27.36)	2.6%	19,684	-2.3%	(\$0.69)	(\$35.22)	3.6%	131,895	-2.4%	(\$3.76)	(\$28.53)	2.8%
\$50 \$100	93,263	-2.2%	(\$3.89)	(\$41.70)	2.9%	7,368	0.6%	\$0.13	\$17.27	4.3%	100,632	-1.9%	(\$3.76)	(\$37.38)	3.0%
\$100 Over	13,895	-0.3%	(\$0.38)	(\$27.46)	4.9%	1,158	-2.8%	(\$0.33)	(\$287.45)	5.1%	15,053	-0.6%	(\$0.71)	(\$47.46)	4.9%
Total	508,947	-3.1%	(\$16.47)	(\$32.37)	2.7%	444,737	-4.8%	(\$9.06)	(\$20.36)	2.8%	953,684	-3.6%	(\$25.53)	(\$26.77)	2.8%
Fiscal Impact:			(\$16.47)					(\$9.06)					(\$25.53)		
All Taxpayers:			(\$31.38)			Non-Resident:		(\$5.85)							

Exclude Kansas Municipal Bonds Issued After December 31, 1987
Plus The Deductibility of Federal Income Taxes
\$60 Non-Refundable Credit to Elderly and Blind Taxpayers
New Kansas Tax Rates

Kansas Personal Exemption is \$1,950

Kansas Department Of Revenue

Individual Income Tax In Tax Year 1988
Resident Taxpayers

Senate Substitute for House Bill 2543
Senate Committee of the Whole Version

Liability Dollars are in Millions

K.A.G.I. Bracket	Married					Single					Total Residents				
	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate
No K.A.G.I.	9,684	0.0%	\$0.00	\$0.00	0.0%	4,526	0.0%	\$0.00	\$0.00	0.0%	14,211	0.0%	\$0.00	\$0.00	0.0%
\$0 \$5	16,947	-95.8%	(\$0.02)	(\$1.42)	0.0%	110,421	-95.9%	(\$1.16)	(\$10.49)	0.0%	127,368	-95.9%	(\$1.18)	(\$9.29)	0.0%
\$5 \$15	71,895	-73.6%	(\$5.81)	(\$80.84)	0.3%	168,105	-27.2%	(\$8.70)	(\$51.74)	1.4%	240,000	-36.4%	(\$14.51)	(\$60.46)	1.1%
\$15 \$25	93,474	-20.6%	(\$6.88)	(\$73.58)	1.4%	95,579	-8.4%	(\$4.76)	(\$49.78)	2.8%	189,053	-13.0%	(\$11.64)	(\$61.55)	2.1%
\$25 \$35	97,474	-5.3%	(\$3.60)	(\$36.90)	2.2%	37,684	-4.1%	(\$1.57)	(\$41.75)	3.3%	135,158	-4.9%	(\$5.17)	(\$38.25)	2.5%
\$35 \$50	112,000	1.1%	\$1.35	\$12.06	2.7%	19,895	1.0%	\$0.30	\$15.05	3.7%	131,895	1.1%	\$1.65	\$12.51	2.9%
\$50 \$100	93,474	-0.6%	(\$1.10)	(\$11.74)	2.9%	7,368	2.8%	\$0.56	\$76.39	4.4%	100,842	-0.3%	(\$0.53)	(\$5.30)	3.1%
\$100 Over	14,000	2.6%	\$2.96	\$211.77	5.0%	1,158	4.2%	\$0.49	\$426.55	5.5%	15,158	2.7%	\$3.46	\$228.17	5.1%
Total	508,947	-2.5%	(\$13.09)	(\$25.72)	2.8%	444,737	-7.8%	(\$14.83)	(\$33.35)	2.7%	953,684	-3.9%	(\$27.92)	(\$29.28)	2.8%
Fiscal Impact:			(\$13.09)					(\$14.83)					(\$27.92)		
All Taxpayers:			(\$33.72)			Non-Resident:		(\$5.80)							

Proposed Tax Rates

Single		Tax Rate	Married		Tax Rate
\$0	\$3,000	4.00%	\$0	\$6,000	4.00%
\$3,000	\$5,000	5.50%	\$6,000	\$10,000	5.00%
\$5,000	\$10,000	5.75%	\$10,000	\$14,000	5.25%
\$10,000	\$20,000	6.25%	\$14,000	\$20,000	5.50%
\$20,000	\$25,000	8.00%	\$20,000	\$40,000	5.75%
\$25,000	Over	9.00%	\$40,000	\$50,000	7.50%
			\$50,000	Over	9.00%

Exclude Kansas Municipal Bonds Issued After December 31, 1987
Plus The Deductibility of Federal Income Taxes
\$60 Non-Refundable Credit to Elderly and Blind Taxpayers
New Kansas Tax Rates

Kansas Personal Exemption is \$2,000

Kansas Department Of Revenue

Individual Income Tax In Tax Year 1989
Resident Taxpayers

Senate Substitute for House Bill 2543
Senate Committee of the Whole Version

Liability Dollars are in Millions

K.A.G.I. Bracket	Married					Single					Total Residents				
	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate
No K.A.G.I.	9,684	0.0%	\$0.00	\$0.00	0.0%	4,526	0.0%	\$0.00	\$0.00	0.0%	14,211	0.0%	\$0.00	\$0.00	0.0%
\$0 \$5	16,947	-95.8%	(\$0.02)	(\$1.42)	0.0%	110,421	-95.9%	(\$1.16)	(\$10.50)	0.0%	127,368	-95.9%	(\$1.18)	(\$9.29)	0.0%
\$5 \$15	71,895	-66.6%	(\$5.26)	(\$73.17)	0.4%	168,105	-24.1%	(\$7.70)	(\$45.78)	1.5%	240,000	-32.5%	(\$12.96)	(\$53.99)	1.1%
\$15 \$25	93,474	-19.6%	(\$6.53)	(\$69.89)	1.4%	95,579	-7.8%	(\$4.41)	(\$46.18)	2.8%	189,053	-12.2%	(\$10.95)	(\$57.90)	2.1%
\$25 \$35	97,474	-5.8%	(\$3.95)	(\$40.51)	2.2%	37,684	-3.8%	(\$1.44)	(\$38.28)	3.3%	135,158	-5.1%	(\$5.39)	(\$39.89)	2.5%
\$35 \$50	112,000	0.5%	\$0.66	\$5.92	2.7%	19,895	1.3%	\$0.40	\$20.10	3.7%	131,895	0.7%	\$1.06	\$8.06	2.8%
\$50 \$100	93,474	-0.9%	(\$1.65)	(\$17.69)	2.9%	7,368	3.5%	\$0.71	\$96.81	4.4%	100,842	-0.5%	(\$0.94)	(\$9.33)	3.0%
\$100 Over	14,000	2.5%	\$2.92	\$208.65	5.0%	1,158	4.3%	\$0.51	\$440.27	5.5%	15,158	2.7%	\$3.43	\$226.34	5.1%
Total	508,947	-2.6%	(\$13.84)	(\$27.19)	2.8%	444,737	-6.9%	(\$13.09)	(\$29.43)	2.8%	953,684	-3.8%	(\$26.93)	(\$28.23)	2.8%
Fiscal Impact:			(\$13.84)					(\$13.09)					(\$26.93)		
All Taxpayers:			(\$32.55)			Non-Resident:		(\$5.62)							

Proposed Tax Rates

Single		Tax Rate	Married		Tax Rate
\$0	\$3,000	4.00%	\$0	\$6,000	4.00%
\$3,000	\$5,000	5.50%	\$6,000	\$10,000	5.00%
\$5,000	\$10,000	5.75%	\$10,000	\$14,000	5.25%
\$10,000	\$20,000	6.25%	\$14,000	\$20,000	5.50%
\$20,000	\$25,000	8.00%	\$20,000	\$40,000	5.75%
\$25,000	Over	9.00%	\$40,000	\$50,000	7.50%
			\$50,000	Over	9.00%

HOUSE TAX COMMITTEE BILL

Exclusion for all Kansas Municipal Bonds not Currently Exempt, is Eliminated
 A \$70 Non-Refundable Credit for Elderly and Blind Taxpayers
 with K.A.G.I. below \$32,000, if Married, and below \$25,000, if Single
 Additional \$1,950 Personal Exemption for Head of Household

Kansas Department Of Revenue

Married \$0 - \$37,500 4.15%
 \$37,500 - Over 5.40%

Individual Income Tax In Tax Year 1988
 Resident Taxpayers

Single \$0 - \$25,000 4.80%
 \$25,000 - Over 6.20%

HOUSE TAX COMMITTEE BILL

Liability Dollars are in Millions

K.A.G.I. Bracket	Married					Single					Total Residents				
	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate
No K.A.G.I.	9,684	0.0%	\$0.00	\$0.00	0.0%	4,526	0.0%	\$0.00	\$0.00	0.0%	14,211	0.0%	\$0.00	\$0.00	0.0%
\$0 \$5	16,947	-95.8%	(\$0.02)	(\$1.42)	0.0%	110,421	-95.9%	(\$1.16)	(\$10.49)	0.0%	127,368	-95.9%	(\$1.18)	(\$9.29)	0.0%
\$5 \$15	71,895	-66.6%	(\$5.26)	(\$73.16)	0.4%	168,105	-12.6%	(\$4.04)	(\$24.02)	1.7%	240,000	-23.3%	(\$9.30)	(\$38.74)	1.3%
\$15 \$25	93,474	-9.7%	(\$3.23)	(\$34.57)	1.6%	95,579	-5.7%	(\$3.21)	(\$33.55)	2.9%	189,053	-7.2%	(\$6.44)	(\$34.05)	2.2%
\$25 \$35	97,474	-2.6%	(\$1.80)	(\$18.45)	2.3%	37,684	-3.9%	(\$1.47)	(\$38.88)	3.3%	135,158	-3.1%	(\$3.26)	(\$24.14)	2.6%
\$35 \$50	112,000	-2.4%	(\$2.98)	(\$26.61)	2.6%	19,895	0.0%	\$0.01	\$0.40	3.7%	131,895	-1.9%	(\$2.97)	(\$22.54)	2.8%
\$50 \$100	93,474	-1.7%	(\$3.05)	(\$32.68)	2.9%	7,368	3.0%	\$0.61	\$82.64	4.4%	100,842	-1.2%	(\$2.45)	(\$24.25)	3.0%
\$100 Over	14,000	0.7%	\$0.80	\$57.25	4.9%	1,158	0.7%	\$0.08	\$67.00	5.3%	15,158	0.7%	\$0.88	\$57.99	5.0%
Total	508,947	-2.9%	(\$15.55)	(\$30.55)	2.7%	444,737	-4.8%	(\$9.17)	(\$20.63)	2.8%	953,684	-3.5%	(\$24.72)	(\$25.92)	2.8%
Fiscal Impact:			(\$15.55)					(\$9.17)					(\$24.72)		
All Taxpayers:			(\$30.58)			Non-Resident:		(\$5.86)							

HOUSE TAX COMMITTEE BILL

Exclusion for all Kansas Municipal Bonds not Currently Exempt, is Eliminated
 Additional \$2,000 Personal Exemption for Head of Household

Married \$0 - \$37,500 4.15%
 \$37,500 - Over 5.40%

Single \$0 - \$25,000 4.80%
 \$25,000 - Over 6.20%

Kansas Department Of Revenue

Individual Income Tax In Tax Year 1989
Resident Taxpayers

HOUSE TAX COMMITTEE BILL

Liability Dollars are in Millions

K.A.G.I. Bracket	Married					Single					Total Residents				
	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Increase	Dollar Change In Liability	Dollar Change Per Return	Effective Rate
No K.A.G.I.	9,684	0.0%	\$0.00	\$0.00	0.0%	4,526	0.0%	\$0.00	\$0.00	0.0%	14,211	0.0%	\$0.00	\$0.00	0.0%
\$0 \$5	16,947	-95.8%	(\$0.02)	(\$1.42)	0.0%	110,421	-95.9%	(\$1.16)	(\$10.50)	0.0%	127,368	-95.9%	(\$1.18)	(\$9.29)	0.0%
\$5 \$15	71,895	-61.0%	(\$4.81)	(\$66.96)	0.4%	168,105	-8.6%	(\$2.74)	(\$16.31)	1.8%	240,000	-19.0%	(\$7.56)	(\$31.49)	1.4%
\$15 \$25	93,474	-8.6%	(\$2.87)	(\$30.69)	1.6%	95,579	-4.7%	(\$2.65)	(\$27.75)	2.9%	189,053	-6.2%	(\$5.52)	(\$29.20)	2.3%
\$25 \$35	97,474	-2.6%	(\$1.79)	(\$18.39)	2.3%	37,684	-4.0%	(\$1.53)	(\$40.70)	3.3%	135,158	-3.1%	(\$3.33)	(\$24.61)	2.6%
\$35 \$50	112,000	-2.3%	(\$2.94)	(\$26.21)	2.6%	19,895	0.0%	(\$0.01)	(\$0.39)	3.7%	131,895	-1.9%	(\$2.94)	(\$22.32)	2.8%
\$50 \$100	93,474	-1.4%	(\$2.54)	(\$27.20)	2.9%	7,368	3.1%	\$0.63	\$84.89	4.4%	100,842	-1.0%	(\$1.92)	(\$19.01)	3.0%
\$100 Over	14,000	1.1%	\$1.31	\$93.81	4.9%	1,158	1.0%	\$0.12	\$105.82	5.3%	15,158	1.1%	\$1.44	\$94.73	5.0%
Total	508,947	-2.6%	(\$13.66)	(\$26.85)	2.8%	444,737	-3.9%	(\$7.35)	(\$16.52)	2.9%	953,684	-2.9%	(\$21.01)	(\$22.03)	2.8%
Fiscal Impact:			(\$13.66)					(\$7.35)					(\$21.01)		
All Taxpayers:			(\$26.42)			Non-Resident:		(\$5.41)							