

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION

The meeting was called to order by Senator Dan Thiessen at
Chairperson

11:00 a.m. ~~xxx~~ on Thursday, April 11, 1991 in room 519-S of the Capitol.

All members were present except:

Committee staff present:

Don Hayward, Assistant Revisor
Bill Edds, Assistant Revisor
Tom Severn, Research Department
Chris Courtwright, Research Department
Marion Anzek, Committee Secretary

Conferees appearing before the committee:

Ron Swisher, Department of Revenue

Chairman Dan Thiessen called the meeting to order at 11:18 and turned attention to HB2222. He said, we have some amendments that are not here yet for HB2031, recognizing Tom Severn for a review of HB2222.

HB2222: Would enact a new statute requiring every escrow or tax service agent responsible for the payment of real estate tax to provide to the mortgagor owner by December 10 or 10 days after receipt of the information, whichever is later, a copy of the tax information mailed by the county treasurer.

Tom Severn said we have two situations, which will probably give rise to mis-understanding. He said, there are (2) mailings to property owners and taxpayers, the 1st part of the process, the valuation process notice goes to the owner of the property and regardless if the property is subject to a mortgage and regardless of whether the mortgagee has responsibility for paying the tax. He said, the bill however goes to the party responsible for paying the tax, the mortgage, the savings and loan, the bank or whoever is holding the mortgage, and they pay the taxes. They would also be responsible for mailing the mortgagee or owner, a copy of the bill within 10 days of receipt or by December 10th.

He said the purpose of doing that is they are also required to supply the information to the owner after the 1st of the year in a separate report. The obvious purpose of this is to enable the owner to protest the taxes. He said, this was done in 1989 for 1989 taxes only, it was one of the Special Session bills.

Senator Fred Kerr said earlier this year the House tried to pass a tight tax lid and failed, so without anything, the tax lid is vital. He said we may want to extend the sunset by 2 years by offering an amendment to this bill. He said the taxing entities that have a narrower tax base trying to raise the same amount of money that they did in 1988, there would have to be some sort of law considered for them.

After committee discussion regarding more amendments in Sections (1) and (2) of HB2222 the committee concurred to adopt Sections (1) and (2) then work the amendments.

Senator Fred Kerr moved to change the sunset provision to a (2) year extension on the tax lid law and amend into HB2222, 2nd by Senator Karr. The motion carried.

Chairman Thiessen said the committee would have a little time to get more information before taking action on the bill. He also said, he was not present, due to illness in the family when the hearing was held on HB2222 and there was some talk about the notices going out to all of the borrowers, and he asked if there was any other way that it could be handled that might accomplish it without the cost, because the cost would be passed on to the borrowing public. He said, if we had a requirement on the notices to borrowers, that there would be a (boxed in bold faced section) which might say you can obtain information on your tax structure by calling your lending institution at anytime, which many do not realize they can call and find out what their taxes are, and whether or not they have gone up or down. He said, it is just a thought that the committee might think about before taking the bill up again in committee.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION

room 519-S, Statehouse, at 11:00 a.m./~~p.m.~~ on Thursday, April 11, 1991.

Senator Fred Kerr moved to amend by removing Section (1) from HB2222, 2nd by Senator Sheila Frahm. The motion to amend carried.

After committee discussion Senator Martin distributed (ATTACHMENT 1) and (ATTACHMENT 2) and said (1) is a proposed amendment to HB2222 and he said, the proposed amendment is from the Valuation Department, and it is one they would really like to have.

Senator Phil Martin moved to amend HB2222 by inserting on page 1 line 34, after "appraiser", "or such county or district appraiser's designee; and in line 37, by striking "specific reasons' and inserting "the documentation" and on page 2 line 14 strike "3" and insert "4" and on line 15, strike "4" and insert "5" and insert New Section 3. The county appraiser shall annually, at least five business days prior to the mailing of valuation notices, publish in the official county newspaper the results of the market study analysis as prescribed by the director of the division of property valuation, 2nd by Senator Janis Lee. The motion to amend carried.

After committee discussion

Senator Phil Martin moved to adopt the amendments into HB2222, 2nd by Senator Langworthy.

Senator Fred Kerr asked Senator Martin if this section of the law passed with this amendment, what the difference is between this bill and current law? Senator Martin said it would be a continuation of the current law, which they have to do an inspection for (1) year which we passed last year. He said, he believed it was SB322 last year which has expired, and he said this will continue somewhat the same period, but not exactly the same language.

Senator Fred Kerr asked what would happen if we don't pass this bill. Senator Martin said the County Appraiser would not have to make an inspection with the increase on valuation of property, it would just be the regular 25% of the property every year.

The above motion by Senator Martin, 2nd by Senator Langworthy to adopt both amendments to HB2222. Carried.

Senator Janis Lee moved to amend HB2222 to include "shall not be increased no more than 10% threshold of the appraised valuation", 2nd by Senator Fred Kerr.

Chairman Dan Thiessen said the problem the committee ran into before when thresholds were discussed was, you can get into some pretty high valued property and 10% is a tremendous amount of change, on the average property.

Senator Jack Steineger said it is a bunching of the mill levy and he felt maybe it should be a percentage of any tax increase because, some Counties it would be taxing 180 and 190 mills and 190 mills on a 190 mills on a 1% change is a big ticket.

Chairman Dan Thiessen said we will leave the motion on the table and at 12:10 p.m. he recessed the meeting until 3:30 p.m.

Chairman Thiessen re-convened the meeting at 3:40 p.m.

Chairman Thiessen said we have the maker of the last motion here and he said we were to have David Cunningham, Director of Taxation, Department of Revenue here and he asked if he were here? Ron Swisher, Department of Revenue said Mr. Cunningham had a family emergency, and he would take his place to answer any questions the committee members may have.

Senator Martin said before we recessed Senator Lee proposed putting thresholds into HB2222 and he felt the Department of Revenue should speak to that.

Senator Lee told Ron Swisher we were talking about lines 26 to 34 on page 1. She said her concern with the bill as it currently reads on line 25, page 1 "any change in the classification or appraised valuation of the taxpayers, except that, for tax year 1992 and each year thereafter, the valuation for all real property shall not be increased unless: (a) A specific review thereof is conducted, including an individual physical

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION

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inspection of such property by the county or district appraiser" She said, she would like to give them a threshold before they have to do a physical inspection, and she would like to allow them to increase appraised value by 10%.

Ron Swisher said his concern is with the counties out there on a threshold, is that you may start inequities between like properties out there. He said, the way it is worded now your looking at 100% fiscal note each year, and we need to define what you are saying is a physical inspection.

Chairman Thiesses asked if they use comparable sales, where they go out and inspect those comparable sales, to make sure they are comparable? Ron Swisher said yes, the counties are required to go out and physically inspect those sales to make sure the information we have, corresponds with what is out there.

After committee discussion.

Senator Lee withdrew her motion, and Senator Fred Kerr withdrew his 2nd.

Senator Marge Petty said she would like to consider on line 36 page 1 "a record of such inspection is maintained, including specific reasons for such increase, and such record is available to the affected taxpayer." She said, she would like to add language that would say "such record of sales would be available to the taxpayer and is to be used by the appraiser in an appeal to sustain the burden of proof by the appraiser to justify the increase in appraisals"

She said, she was just throwing this out for discussion.

Senator Petty moved to amend HB2222 "it shall be the duty of the appraiser in an appeal to substantiate an increase, 2nd by Senator Steineger. After a division, The motion failed.

Senator Phil Martin moved to amend HB2222 "that use value does not come under Section (2), 2nd by Senator Fred Kerr. The motion carried

After committee discussion on physical inspection, Ron Swisher said physical inspection means appraiser has been on the site.

Senator Sheila Frahm moved to amend HB2222 to insert the provision for Rules and Regs being required, 2nd by Senator Audrey Langworthy. The motion carried.

Senator Phil Martin moved to favorably pass HB2222 as amended, 2nd by Senator Fred Kerr. The motion carried. Senator Janis Lee requested to be recorded as voting no.

Chairman Thiessen turned attention to HB2031 and recognized Senator Karr.

Substitute for HB2031:AN ACT relating to taxation; concerning individual and corporation income tax rates and financial institution privilege tax rates; concerning personal exemption and standard deduction amounts of individuals; exempting military retirement benefits from income taxation; (providing for the disposition of certain state revenue source enhancements; establishing the state school district finance fund;)

Senator Karr said he asked staff to provide alternatives on Corporation Income Tax Rate Options (ATTACHMENT 3) while we are still considering options. He said in the past there has been a lot of discussion on changing the threshold. He said the House Bill as it passed had a Base Rate of 4% and we currently have a 4.5%, and he said one possibility he would like to change in the Base Rate of the 1st line on (Attachment 3) and the 3rd line has different levels of the threshold in \$50,000, \$100,000 and \$75,000. He said the first option is a revenue neutral option of \$42,000+ and calls for a \$50,000 and he said, he felt that would work. He said, there are a few others that have \$50,000 but they have different fiscal notes. He said, for instance No.2 has a fiscal note of about \$5.M and has a base rate of 4½% a surcharge of 3% and a threshold of \$50,000. He said at 7.25% this compares to the House at 7.95%.

He said, he felt these figures are around the threshold and anytime we move the threshold we have to pick up some money, and he pointed out he moved the base halfway up between the House and Senate.

CONTINUATION SHEET

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room 519-S, Statehouse, at 11:00 a.m. ~~pm~~ on Thursday, April 11, 1991

During committee discussion a member said he was interested in Corporations threshold being moved upward, another member asked Senator Karr for his philosophy.

Senator Karr said with discussion we have had before, he felt there were small businesses that would benefit by having the base rate increased from \$25,000 to \$50,000.

Senator Fred Kerr said he understood what Senator Karr is trying to do for small business, but he felt we are awfully high already, and he felt #1 on (ATTACHMENT 3) is revenue neutral and would have the effect of helping small businesses in picking up the shortfall.

Senator Martin made a motion to amend HB2031 by inserting (No.1 of Attachment 3) Corporate Income Tax Base Rate at 4.25% and Surtax at 2.70%, threshold at \$50,000 and a top rate at 6.95%, 2nd by Senator Karr. The motion carried.

Senator Karr said Simulation 0065, has a slightly different approach to the income tax. He said as the bill is now, it maintains the conformacy on standard federal deduction which would make, for example the deduction we have now is \$5,000 and it would be federal around \$5400. He said, he decided to put into this run current law that would stay with the \$5,000 and the current law as it relates to personal exemptions. He said, that has an effect across all taxpayers and he said, he put back in current law in contrast to what the House had, in regards to standard deductions and exemptions.

He said, the 2nd feature is he added a 3rd bracket and the target he said, he aimed for is around \$107.M to \$108.M that would come from the individual income tax and that becomes the base for this tax plan, he said it provides a fairly smooth progressive tax, not as heavy on the upper income as was perceived by the other runs we have looked at from the House. (ATTACHMENTS 4a & 4b)

After committee discussion.

Senator Phil Martin moved to amend to adopt simulation 0065 (ATTACHMENT 4) into HB2031, 2nd by Senator Janis Lee.

Senator Fred Kerr said he opposes the proposal, and he said, it is not as bad as the bill the House passed, he said we have heard a lot of discussion on the spending side but it is also on the taxpayers side, and this proposal would increase the individual income tax for people across the state by several million dollars, and would probably be the the largest in history to pass.

After additional committee discussion. The motion carried. The following Senators requested to be recorded as voting no on the motion. Senator Fred Kerr, Senator Sheil Frahm, Senator Audrey Langworthy, Senator Montgomery, and Senator Dan Thiessen, Chairman.

Senator Phil Martin moved to amend $\frac{1}{4}$ % sales tax be added to HB2031, 2nd by Senator Janice Lee. The motion carried. The following Senators wish to be on record for voting No on the motion to amend HB2031. Senator Audrey Langworthy and Senator Dan Thiessen, Chairman.

The motion to amend HB2031 by Senator Martin, carried. Senator Audrey Langworthy and Senator Dan Thiessen, Chairman are recorded as voting no.

Senator Martin moved to remove sections (1) and (8) dedication of funds from HB2031, 2nd by Senator Karr.

Senator Steineger moved a substitute motion to remove the dedication for sales tax funds, 2nd by Senator Petty. The motion failed.

The original motion by Senator Martin to amend HB2031. Carried. Senator Don Montgomery and Senator Marge Petty are recorded as voting no.

Senator Gerald Karr moved to amend the sales tax effective July 1, 2nd by Senator Martin. The motion carried.

Senator Martin moved to report HB2031 favorably as amended, 2nd by Senator Janice Lee.

After committee discussion the Chairman called for a roll call vote.

The motion by Senator Martin to favorably pass HB2031 as amended, passed on a roll call vote, 6 to 5.

The Chairman adjourned the meeting at 5:48 p.m..

GUEST LIST

Cont - 3:30 P.M.

COMMITTEE: SENATE
ASSESSMENT & TAXATION

DATE: THURS 4-11-91

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Shelley Sutton	Topeka	Ks Engineering Society
Trudy ARON	"	Amert Inst of Architects
JANET STUBBS	"	HOME BUILDERS ASSN. of Ks
Mike Beam	"	Ks. LVSTR. ASSN.
Tom Whitaker	"	Ks Motor Carriers Assn
JEFF SONNICH	"	KNLS I
CHUCK STUART	TOPEKA	U.S.A.
MARY E. TURKINGTON	Topeka	Ks Motor Carriers Assn
ED SCHAUB	"	KPL GAS SERVICE
SUSAN SOMERS	Topeka	KSCPA
T. O. ROBERTSON	Topeka	RSCPA
Carol Wright	Topeka	KCUK
Don Williams	Topeka	KNEA
Mark Tallman	Topeka	KASIB
TREVA POTTER	"	PEOPLES NAT. GAS
Don Schwack	"	ICIOGA
Chuck Stone	"	KBA
Jim Munn	"	"
Awe Stott	"	Revenue
MARK Bergheart	"	"
JERRY CLAWSON	Lawrence	KCIE
Jim Ludwig	Topeka	KPL GAS SERVICE
MARSHALL CLARK	TOPEKA	KEC
Carla Jullis	Topeka	PVO
KEVIN ROBERTSON	Topeka	Hrs. Lodging Assn.

GUEST LIST

COMMITTEE: SENATE
ASSESSMENT & TAXATION

DATE: THURS. 4-11-91

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
George Barber	Topeka	Ks Consulting Engin
Jean Barber	Topeka	Barber & Associates
Tom Smith	"	KBA
Paul E. Fleener	Manhattan	Colgate, Martin Inchr
Tim Yonally	Overland Park	Kansas Farm Bureau
M. Hawier	Topeka	NFIB
Ann Papay	Wissnes	Cap Laura
Cynthia Goebel	Jetmore	Grant/Stanton
Terry Guy	Meriden	Hodgeman
Bernie Koch	Wichita	Revenue
Ken Peterson	Topeka	Wichita Chamber
Dan Haas	Overland Park	Ks PETROLEUM Council
Joel Graves	Wichita	KCPL
BRAD SMOOT	Topeka	KN Energy
Harriet Lange	"	Black & Veatch
Bob Corkins	"	KAB
Art Brown	K.C.MO	KCCI
Anne Smith	Topeka	KPLR Dealer
John D.M. Neal	Topeka	Ks. Assoc. of Counties
Christy Young	Topeka	self
Jonathan Small	Topeka	Topeka Chamber of Com
PATRICK J. HURLEY	Topeka	Carjet, Inc Koch Industries
TIMOTHY N. HAGEMAN	LAKIN	Cessna
Alan Steppet	Topeka	Haskell-Spedco's MURKIN
		Pete McBill & Associates

HB 2222 Proposed Amendment

On page 1, line 34, after "appraiser", by inserting "or such county or district appraiser's designee; in line 37, by striking "specific reasons" and inserting "the documentation".

On page 2, in line 14, by striking "3 and inserting "4"; in line 15, by striking "4" and inserting "5".

New Section 3. The county appraiser shall annually, at least five business days prior to the mailing of valuation notices, publish in the official county newspaper the results of the market study analysis as prescribed by the director of the division of property valuation.

NOTICE OF PROPERTY VALUATION
 TAX YEAR 1991
 OFFICE OF THE COUNTY APPRAISER, SHAWNEE CO., KANSAS

THIS LETTER IS YOUR OFFICIAL NOTIFICATION OF THE COUNTY APPRAISER'S ESTIMATE OF VALUE FOR YOUR PROPERTY IDENTIFIED BELOW. THIS IS NOT A TAXBILL.

PARCEL IDENTIFICATION NUMBER:
 089-122-09-0-00-02-001.00-0

PROPERTY ADDRESS:
 00000 SE STUBBS

BEG INTER S LINE KS STUBBS
 ROAD TH S 350.14 W 618.01 N
 350 E 607.99 TO POB

LOT(S)	BLOCK	SEC-TWP-RNG	09-12-17	TAX UNIT	351

* 1990 APPRAISED MARKET OR USE VALUE * *					
* CLASS LAND BUILDING TOTAL * *					
* AR	200	700	900	*	*
*	0	0	0	*	*
*	0	0	0	*	*

1990 SALES RATIO (PRELIMINARY)
 RESIDENTIAL 11.61 OTHER 26.30
 AGRICULTURAL 00.67 VACANT 09.69

* 1991 APPRAISED MARKET OR USE VALUE * ASSESSED *					
* CLASS LAND BUILDING TOTAL * VALUE *					
* AR	200	680	880	*	264 *
*	0	0	0	*	0 *
*	0	0	0	*	0 *
* TOTAL					264 *

ANY TAXPAYER MAY COMPLAIN OR APPEAL TO THE COUNTY APPRAISER FROM CLASSIFICATION OR APPRAISAL OF THE TAXPAYER'S PROPERTY BY GIVING NOTIFICATION OF SUCH DISSATISFACTION TO THE COUNTY APPRAISER WITHIN 18 DAYS OF THE MAILING OF THE VALUATION NOTICE. THE COUNTY APPRAISER OR THE APPRAISER'S DESIGNEE SHALL ARRANGE TO HOLD AN INFORMAL MEETING WITH THE AGGRIEVED TAXPAYER WITH REFERENCE TO THE PROPERTY IN QUESTION.

IF YOU HAVE QUESTIONS OR WISH TO APPEAL, YOU MUST FIRST CALL THE TAXPAYER SERVICE NUMBER BELOW.

(913) 291-4008

DATE MAILED: 03/20/91

NBHD: 1950

*H-11-71
ATT. 2*

4-11-91
ATT. 3

Corporation Income Tax Rate Options

	<u>Current</u>	<u>I</u>	<u>II</u>	<u>III</u>	<u>IV</u>	<u>V</u>	<u>VI</u>	<u>VII</u>
Base Rate	4.50%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%
Surtax	2.25%	2.70%	3.00%	3.25%	3.10%	3.05%	3.25%	3.25%
Threshold	\$25,000	\$50,000	\$50,000	\$100,000	\$75,000	\$50,000	\$50,000	\$75,000
Top Rate	6.75%	6.95%	7.25%	7.50%	7.35%	7.30%	7.50%	7.50%
Fiscal Note	\$0	\$42	\$4,800	\$5,043	\$4,300	\$5,585	\$8,750	\$6,573

Kansas Department Of Revenue

Individual Income Tax In Tax Year 1991
Resident Taxpayers

Current Law

K.A.G.I. Bracket	Married					Single					Total Residents				
	No. Of Returns	Percent Of KAGI	Liability	Percent Of Total	Effective Rate	No. Of Returns	Percent Of KAGI	Liability	Percent Of Total	Effective Rate	No. Of Returns	Percent Of KAGI	Liability	Percent Of Total	Effective Rate
No K.A.G.I.	5,835	0.0%	\$0.00	0.0%	0.0%	4,728	0.0%	\$0.00	0.0%	0.0%	10,563	0.0%	\$0.00	0.0%	0.0%
\$0 \$5	12,374	0.2%	\$0.00	0.0%	0.0%	113,179	3.8%	\$1.06	0.1%	0.3%	125,553	1.1%	\$1.06	0.1%	0.3%
\$5 \$15	59,155	2.8%	\$2.33	0.3%	0.4%	169,517	20.6%	\$29.56	3.5%	1.7%	228,672	7.3%	\$31.89	3.8%	1.4%
\$15 \$25	83,099	7.4%	\$25.67	3.0%	1.5%	96,881	23.9%	\$53.62	6.3%	2.7%	179,980	11.6%	\$79.30	9.3%	2.1%
\$25 \$35	79,577	10.5%	\$50.66	6.0%	2.0%	52,213	19.5%	\$49.12	5.8%	3.0%	131,791	12.8%	\$99.78	11.8%	2.4%
\$35 \$50	113,380	21.0%	\$114.72	13.5%	2.3%	29,779	15.4%	\$43.47	5.1%	3.4%	143,159	19.5%	\$158.19	18.6%	2.5%
\$50 \$100	131,187	38.1%	\$251.33	29.6%	2.8%	14,185	11.2%	\$35.51	4.2%	3.8%	145,372	31.2%	\$286.85	33.8%	2.9%
Over	22,334	20.2%	\$171.49	20.2%	3.6%	2,213	5.6%	\$20.26	2.4%	4.4%	24,547	16.4%	\$191.75	22.6%	3.6%
Total	506,942	100.00%	\$616.21	72.6%	2.6%	482,696	100.00%	\$232.60	27.4%	2.8%	989,638	100.00%	\$348.81	100.00%	2.6%

Kansas Department Of Revenue

Individual Income Tax In Tax Year 1991
Resident Taxpayers

SIMULATION 0065

K.A.G.I. Bracket	Married					Single					Total Residents				
	No. Of Returns	Percent Of KAGI	Liability	Percent Of Total	Effective Rate	No. Of Returns	Percent Of KAGI	Liability	Percent Of Total	Effective Rate	No. Of Returns	Percent Of KAGI	Liability	Percent Of Total	Effective Rate
No K.A.G.I.	5,835	0.0%	\$0.00	0.0%	0.0%	4,728	0.0%	\$0.00	0.0%	0.0%	10,563	0.0%	\$0.00	0.0%	0.0%
\$0 \$5	12,374	0.2%	\$0.00	0.0%	0.0%	113,179	3.8%	\$1.07	0.1%	0.3%	125,553	1.1%	\$1.07	0.1%	0.3%
\$5 \$15	59,155	2.8%	\$2.36	0.2%	0.4%	169,517	20.6%	\$29.83	3.1%	1.8%	228,672	7.3%	\$32.19	3.4%	1.4%
\$15 \$25	83,099	7.4%	\$26.03	2.7%	1.5%	96,881	23.9%	\$54.80	5.8%	2.8%	179,980	11.6%	\$80.83	8.5%	2.2%
\$25 \$35	79,577	10.5%	\$51.40	5.4%	2.1%	52,213	19.5%	\$52.85	5.6%	3.3%	131,791	12.8%	\$104.25	11.0%	2.5%
\$35 \$50	113,380	21.0%	\$124.32	13.1%	2.5%	29,779	15.4%	\$47.48	5.0%	3.7%	143,159	19.5%	\$171.81	18.1%	2.7%
\$50 \$100	131,187	38.1%	\$283.14	29.9%	3.1%	14,185	11.2%	\$40.25	4.2%	4.3%	145,372	31.2%	\$323.40	34.1%	3.2%
Over	22,334	20.2%	\$210.11	22.2%	4.4%	2,213	5.6%	\$24.05	2.5%	5.2%	24,547	16.4%	\$234.16	24.7%	4.4%
Total	506,942	100.00%	\$697.36	73.6%	2.9%	482,696	100.00%	\$250.34	26.4%	3.0%	989,638	100.00%	\$947.70	100.00%	3.0%

Fiscal Impact: \$81.15 \$17.74 \$98.89

All Taxpayers: \$107.80 Non-Resident: \$8.91

4-11-91
ATT:4-A-1

Changes:
 Addition of a third bracket to the non-deductibility option
 New tax brackets are listed on the left side of this report

With Federal Deductibility No Federal Deductibility

Proposed Tax Rates

Married:	\$0 - \$20	4.75%	\$0 - \$25	3.70%
	\$20 - \$35	6.50%	\$25 - \$50	5.25%
	\$35 - \$45	9.00%	\$50 - Over	6.25%
	\$45 - Over	12.00%		

Single:	\$0 - \$2	4.75%	\$0 - \$15	4.55%
	\$2 - \$10	6.25%	\$15 - \$30	5.35%
	\$10 - \$20	6.75%	\$30 - Over	6.95%
	\$20 - \$30	9.00%		
	\$30 - Over	12.00%		

Kansas Department Of Revenue
 Individual Income Tax In Tax Year 1991

Resident Taxpayers

Liability Dollars are in Millions

SIMULATION 0065

Married						Single					Total Residents				
K.A.G.I. Bracket	No. Of Returns	Percent Change	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Change	Dollar Change In Liability	Dollar Change Per Return	Effective Rate	No. Of Returns	Percent Change	Dollar Change In Liability	Dollar Change Per Return	Effective Rate
No K.A.G.I.	5,835	0.0%	\$0.0	\$0.00	0.0%	4,728	0.0%	\$0.0	\$0.00	0.0%	10,563	0.0%	\$0.0	\$0.00	0.0%
\$0 \$5	12,374	0.0%	\$0.0	\$0.00	0.0%	113,179	0.9%	\$0.0	\$0.08	0.3%	125,553	0.9%	\$0.0	\$0.07	0.3%
\$5 \$15	59,155	1.2%	\$0.0	\$0.49	0.4%	169,517	0.9%	\$0.3	\$1.60	1.8%	228,672	0.9%	\$0.3	\$1.31	1.4%
\$15 \$25	83,099	1.4%	\$0.4	\$4.27	1.5%	96,881	2.2%	\$1.2	\$12.18	2.8%	179,980	1.9%	\$1.5	\$8.53	2.2%
\$25 \$35	79,577	1.5%	\$0.7	\$9.25	2.1%	52,213	7.6%	\$3.7	\$71.49	3.3%	131,791	4.5%	\$4.5	\$33.91	2.5%
\$35 \$50	113,380	8.4%	\$9.6	\$84.67	2.5%	29,779	9.2%	\$4.0	\$134.70	3.7%	143,159	8.6%	\$13.6	\$95.08	2.7%
\$50 \$100	131,187	12.7%	\$31.8	\$242.49	3.1%	14,185	13.3%	\$4.7	\$334.04	4.3%	145,372	12.7%	\$36.5	\$251.42	3.2%
\$100 Over	22,334	22.5%	\$38.6	\$1,729.16	4.4%	2,213	18.7%	\$3.8	\$1,714.91	5.2%	24,547	22.1%	\$42.4	\$1,727.87	4.4%
Total	506,942	13.2%	\$81.2	\$160.08	2.9%	482,696	7.6%	\$17.7	\$36.75	3.0%	989,638	11.7%	\$98.9	\$99.93	3.0%

Percent of All Taxpayers by K.A.G.I. Bracket
 Using Each Alternative

Fiscal Impact:		No Federal Deductibility	Federal Deductibility
All Taxpayers:	\$107.8	\$0 - \$5 93.8%	6.2%
Residents Only:	\$98.9	\$5 - \$15 81.8%	18.2%
		\$15 - \$25 98.1%	1.9%
Married Residents:	\$81.2	\$25 - \$35 99.3%	0.7%
Single Residents:	\$17.7	\$35 - \$50 99.4%	0.6%
		\$50 - \$100 99.4%	0.6%
Non-Residents:	\$8.9	\$100 - Over 99.7%	0.3%
		Total	94.6%

Current Law Tax Rates

	With Federal Deductibility	No Federal Deductibility
Married:	\$0 - \$20 4.75%	\$0 - \$35 3.65%
	\$20 - \$35 5.00%	\$35 - Over 5.15%
	\$35 - \$45 8.50%	
	\$45 - Over 8.75%	
Single:	\$0 - \$2 4.75%	\$0 - \$27.5 4.50%
	\$2 - \$10 5.60%	\$27.5 - Over 5.95%
	\$10 - \$20 5.75%	
	\$20 - \$30 8.50%	
	\$30 - Over 8.75%	

4-9-91

Income Tax for "Property Tax Relief" Feature Comparison Table

	Current Law	Sub HB 2031 (House COW)	Sub HB 2031 (Senate A&T)	Sim 0056
Mil Retired Exemption	No	Yes (\$8.5 m)	Yes (\$8.5 m)	No
Prospective Conformity	No	Yes (\$23 m)	Yes (\$23 m)	No
Fed Ded Option	Yes (\$1.6 m)	Yes (\$1.6 m)	Yes (\$1.6 m)	No
# Brackets for Nonded	2	3	3	2
Fiscal Note Individuals	---	\$100.6 m	\$100.6 m	\$72.3
Corporate Increase	---	Yes \$15.1 m	No	---
Fin Inst Increase	---	Yes \$3.9 m	No	---
Total F Note	---	\$ 119.6 m	\$100.6 m	---
New Money for USDs	---	\$122 m plus 24% resdnt increase	\$122 m plus 24% resdnt increase	?

4-11-91
ATT-4-B