

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE.

The meeting was called to order by Chairperson David Corbin at 10:40 a.m. on January 29, 2001, in Room 519-S of the Capitol.

All members were present except:

Committee staff present: Chris Courtwright, Legislative Research Department
Don Hayward, Revisor of Statutes Office
Shirley Higgins, Committee Secretary

Conferees appearing before the committee: Janice S. Barton, Treasurer, Kansas Academy of Science
Rex Buchanan, past President, Kansas Academy of Science

Others attending: See attached list.

The minutes of the January 25, 2001, meeting were approved.

SB 23—Sales taxation; providing for refund of tax paid by the Kansas Academy of Science.

As Treasurer of the Kansas Academy of Science, Janice Barton, a professor at Washburn University, testified in support of **SB 23**. She described the educational activities of the Academy of Science and emphasized that the Academy's funds are used exclusively for educational purposes. She noted that the Academy subsidizes publishing of papers and does not realize a profit from its publications. She explained that, because of the Academy's educational goals, it has accrued a deficit. To help offset the deficit, the Academy has decreased its publications and increased membership dues. The refund of the sales taxes (\$6,620) paid by the Academy between January 1, 1992, and July 1, 2000, would permit significant enhancement of its educational initiatives. (Attachment 1)

As the immediate past president of the Kansas Academy of Science, Rex Buchanan, Associate Director for Public Outreach at the Kansas Geological Survey, testified in support of **SB 23**. He discussed the Academy's educational mission at the high school level and also at the graduate and undergraduate levels. In his opinion, a refund of sales taxes paid from 1992 to 2000 would be consistent with the legislative decision last year to exempt the Academy from paying state sales tax as of July 1, 2000. (Attachment 2)

Senator Corbin called attention to copies of the fiscal note on **SB 23**. He noted that the report indicates that the Department of Revenue stated that the reduction to the State General Fund would be less than \$10,000.00. There being no others wishing to testify, the hearing on **SB 23** was closed.

The meeting was adjourned at 10:55 a.m.

The next meeting is scheduled for January 30, 2001



The Honorable David Corbin, Chairperson
Senate Committee on Assessment and Taxation
Kansas State House
Topeka, KS 66612

January 29, 2001

Chairperson Corbin, ladies and gentlemen of the Committee on Assessment and Taxation, I am Janice Barton, the current treasurer and a former president of the Kansas Academy of Science (also known as the Academy) and Professor of Chemistry at Washburn University. First, on behalf of the members of the Academy thank you for your support of Senate Bill 116, which passed last year as part of Senate Bill 59 and exempted the Kansas Academy of Science from paying sales taxes on its publications. I appreciate the opportunity to speak today on Senate Bill 23, which provides for refund of sales taxes in the amount of \$ 6620, paid between January 1, 1992 and July 1, 2000.

Since 1992, the financial status of the Kansas Academy of Science has been intimately correlated with the sales tax. With each year the tax was rendered, the Academy experienced an accumulating deficit. In illustration, for the years of 1996-1999 during my stewardship as treasurer, the Academy accumulated a deficit of \$ 3260 and paid sales taxes in the amount of \$ 3921. That deficit of \$ 980 per year would have been greater –it was over \$ 1000 for 1996 and 1997- if the Kansas Academy of Science had not decreased its educational publications and increased membership dues.

The Kansas Academy of Science is a 501 (c) 3 non-profit educational organization committed to promoting science education in Kansas. The Academy's educational initiatives are broad based and directed towards the public schools, community colleges, colleges, and universities. Its activities include financial awards for research activities, providing expert scientific lecturers at no cost to educational groups and institutions and the public, publishing its scholarly journal -*The Transactions*-, and holding annual scholarly scientific meetings. The annual meetings, held at higher educational institutions in the state, are particularly important. For most Kansas students, these meetings represent the first opportunity for learning about and participating in the scientific process by presentation of the results of their research projects.

The members of the Academy and its volunteer officers truly are dedicated to education in science and predominantly are affiliated with academic and educational institutions within the state. Thus the Academy's funds are used exclusively for educational purposes. The Academy does not profit from sales of commodities; instead, members' dues fund its educational ventures. It subsidizes publishing of papers in the *Transactions* by students and scientists, charging only \$ 20 per page for the first ten pages when the true cost is \$ 75 per page. Nearly 100% of the sales taxes paid by the Academy were for publishing purposes with 98% spent on the *Transactions*. The Kansas Academy of Science did not and does not realize a profit from its publications, rather because of its educational goals it has accrued a deficit. For these reasons, the Academy is requesting return of the paid sales taxes. Refund of the sales taxes to the Academy would permit significant enhancement of its educational initiatives.

Thank you for the opportunity to speak to the committee today, for your consideration of Senate Bill 23, and for your past support.

Respectfully,

Janice S. Barton, Treasurer of the Kansas Academy of Science, Professor of Chemistry, Washburn University

Senate Assessment & Taxation
1-29-01
Attachment 1

TESTIMONY, SENATE BILL 23

Senate Assessment and Taxation Committee

29 January 2001

My name is Rex Buchanan. I am the associate director for public outreach at the Kansas Geological Survey, based at the University of Kansas. I am also, in a volunteer capacity, the immediate past president of the Kansas Academy of Science.

The Kansas Academy of Science is among the oldest scientific societies in Kansas. Its members include more than 300 scientists, nearly all of them from Kansas. The Academy's purpose is to "encourage education in the sciences."

The Academy fulfills that educational mission through field trips, scientific publications, and an annual meeting, in which members and students are encouraged to make scientific presentations. For many undergraduate and graduate students at the state's universities, colleges, and community colleges, this is the first opportunity to present a scientific paper in a professional yet collegial setting. The best of these papers are recognized through awards, including monetary awards, that are especially important to students.

The Kansas Academy of Science also supports the Kansas Junior Academy of Science, which provides an annual opportunity for high school students to come together, present the results of their research, and obtain recognition. Such opportunities can be the first step in a path that leads to a career in the sciences.

The Legislature recognized the educational mission of the Academy last year, when it exempted the Academy from paying state sales tax. Senate Bill 23 would refund to the Academy the amount of sales tax that was paid from 1992 to 2000. Such a refund would be entirely consistent with last year's action by Legislature. While the amount of money involved is small, it would further the educational activities of the Academy.

I urge your support of Senate Bill 23. Thank you for the opportunity to speak with you today.

*Senate Assessment + Taxation
1-29-01
Attachment 2*