

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman John Edmonds at 9:00 a.m. on March 5, 2004 in Room 519-S of the Capitol.

All members were present except:

Representative John Faber- excused
Representative Tom Sawyer- excused
Representative Vaughn Flora- excused

Committee staff present:

Chris Courtwright, Legislative Research Department
Martha Dorsey, Legislative Research Department
Gordon Self, Revisors of Statutes
Carol Doel, Committee Secretary

Conferees appearing before the committee:

Representative Carl Krehbiel
Representative Candy Ruff
Jim Gregory, KCCI
Richard Cram, Department of Revenue
Jay Befort, Department of Revenue
Joan Wagnon, Secretary of Revenue
Marlee Carpenter, KCCI
Bill Yanek, Kansas Association of Realtors
Christina Collins, Kansas Medical Society
Sherry Diel, Executive Director Kansas Real Estate Commission
Larry Baer, Kansas League of Municipalities
Jim Clark, Kansas Bar Association
Bud Burke, Representing the City of Olathe
Randall Allen, Kansas Association of Counties

Others attending:

See Attached List.

Chairman Edmonds opened the floor for bill introductions. Representative Carl Krehbiel and Representative Candy Ruff were recognized requesting a bill that would exempt bed and breakfast businesses from property tax. Representative Ruff also requested introduction of the bill as well as a hearing on the bill.

With no objections, the Chairman accepted this for introduction.

With no further bill introductions, Chairman Edmonds opened the meeting for continuation of the public hearing on **HB 2911** recognizing Jim Gregory from KCCI (Kansas Chamber of Commerce and Industry) in support of the bill. His testimony related that more than half of the world's small air craft are built in Kansas. Passage of **HB 2911** would make Kansas' aviation service businesses more competitive and assist in the recovery of the state's aerospace sector. (Attachment 1)

Written testimony on **HB 2911** was submitted by Bernie Koch, Wichita Area Chamber of Commerce (Attachment 2) and Allen Bell, Economic Development Director, City of Wichita. (Attachment 3)

Having heard all conferees on **HB 2911**, the meeting was closed for hearings on the bill and public hearing was opened on **HB 2664**.

Richard Cram, Department of Revenue introduced Jay Befort, staff attorney in Legal Services who had a recommendation for proposed language change for **HB 2664**. The proposed language would create a statutory lien interest in favor of the State of Kansas in personal property of the delinquent taxpayer. The result is an enhanced recovery of taxes that may otherwise be subject to discharge in the event the taxes are beyond the bankruptcy priority claim classification period or are otherwise unsecured. (Attachment 4)

CONTINUATION SHEET

MINUTES OF THE HOUSE TAXATION COMMITTEE at 9:00 a.m. on March 5, 2004 in Room 519-S of the Capitol.

With no other proponents and no opponents, the Chairman concluded the public hearing on **HB 2664**.

Public hearing was opened on **HB 2776** with Secretary of Revenue, Joan Wagnon being recognized in support of the bill. Her testimony related that they strongly encourage support of the bill which proposes a professional license renewal tax process. This is one of several proposals which the Department is advancing to step up compliance efforts through tax clearance programs. **HB 2776** would require various licensing bodies or agencies listed to have or adopt procedures for the non-renewal of professional licenses if the agency receives notice from the department that the licensee is not current in the payment of taxes, or filing of tax returns. (Attachment 5)

With there being no further proponents for **HB 2776**, Chairman Edmonds addressed the opponents to the bill.

Marlee Carpenter, Vice President Government Relations for KCCI (Kansas Chamber of Commerce and Industry). In their opinion, it does not provide adequate due process safeguards for the licensed professional to dispute their claims. Additionally, the bill proscribes a time line for the licensing body to provide information to the Kansas Department of Revenue and then for the Department to provide a list back to the licensing body of those not current on their taxes. (Attachment 6)

The Kansas Association of Realtors was represented by Bill Yanek, Director of Governmental Relations, in opposition to **HB 2776**. While they feel that its members should remain current in the payment of all taxes owed to the State, that realtors and other professional licensees included in the bill should not be denied their ability to practice their profession should they become not current in taxes owed to the State or untimely in tax returns due. (Attachment 7)

Christina Collins, Director of Government Affairs for the Kansas Medical Society, came before the committee also in opposition to **HB 2776**. Her testimony revealed revocation of an individual's license to practice a profession has many far reaching consequences. She related that in the case of a physician, it means that an individual may have to temporarily close a practice and redirect patients who may need urgent care. It could also mean cancellation of contracts with insurance companies. (Attachment 8)

Representing the Kansas Bar Association, Jim Clark, Legislative Counsel, testified that they are in opposition to **HB 2776** stating that this proposed amendment puts both the attorney and the Disciplinary Administrator on notice of the delinquency 90 days before the annual requirement for registration with the Supreme Court. (Attachment 9)

Sherry Diel, executive Director of the Kansas Real Estate Commission came before the committee with a neutral stand on the content of the bill, but requested a technical amendment on Page 2, Line 40. The bill currently reads real estate salesman and they would like that language changed to salesperson or real estate broker. (Attachment 10)

Gary White, Kansas Trial Lawyers Association, submitted written testimony in opposition to **HB 2776**. (Attachment 11)

This was the final conferee to testify on **HB 2776** and the public hearing was closed.

Chairman Edmonds then opened the floor for public hearing on **HB 2744** recognizing Secretary of Revenue, Joan Wagnon who testified in support of the bill. In her testimony the Secretary stated that **HB 2744** would amend several confidentiality provisions associated with tax returns, reports and investigations and licensing applications and would allow the department to uniformly apply the confidentiality provisions to all excise tax types while balancing the legitimate need for information derived from these records with the intent to keep such information confidential. (Attachment 12)

Larry Baer, League of Kansas Municipalities also came before the committee in support of **HB 2744**. It is their opinion that the bill clarifies and broadens the scope of information that can be shared between state agencies and other relating to the collection, payment and enforcement of tax collections. It is a change in policies, but the change would be for the betterment of the state of Kansas and cities and counties.

CONTINUATION SHEET

MINUTES OF THE HOUSE TAXATION COMMITTEE at 9:00 a.m. on March 5, 2004 in Room 519-S of the Capitol.

(Attachment 13)

Randall with the Kansas Association of Counties testified in support of **HB 2744** stating this bill provides a way for city or county clerks or treasurers to request monthly reports identifying each retailer doing business in that city or county or making sales sourced to such city or county under the destination-based sourcing rules, along with the amount of tax remitted during the preceding month and identifying each business location maintained by the retailer. The purpose of the release of such information is to verify that the locations sourced by the retailer are within the correct jurisdiction and to identify potential errors for the Department of Revenue to pursue and correct, as necessary. (Attachment 14)

Next to come before the committee was Marlee Carpenter, Vice President Government Relations, KCCI (Kansas Chamber of Commerce and Industry) who gave testimony in opposition to **HB 2744**. The KCCI opposes allowing confidential taxpayer information to be released to the governor, secretary of commerce or any representative or senator. (Attachment 15)

Bud Burke representing the City of Olathe stood before the committee to state that the City of Olathe is in support of **HB 2744**.

With no other person wishing to address the bill, Chairman Edmonds closed the hearing on **HB 2744**.

The Chairman directed the committee's attention to **HB 2484** explaining that this was a bill that was heard some time ago concerning the public water supply systems and taxing involved and asked the pleasure of the committee.

Representative Larkin made a motion to amend lines 41 and 43 in **HB 2484** to delay the dates from 2006 to 2007. The motion was seconded by Representative Schwab.

Chris Courtwright, Legislative Research Department, made a technical amendment that relates to the fractions in the bill. This would change the 5/98 to 5/106.

Chairman Edmonds returned to the Larkin amendment before considering the technical amendment. Vote was taken. Motion passed.

The Chairman entertained a motion to replace the fraction 5/98 with 5/106. Representative Huff made the motion and it was seconded by Representative Schwab. Motion passed.

Representative Schwas moved that **HB 2484** be passed out favorable for passage as amended. This motion was seconded by Representative Gilbert. Vote was taken and motion passed.

With no further business before the committee, the meeting was adjourned at 10:22 a.m.

**The Kansas Chamber of Commerce
835 S.W. Topeka Blvd.
Topeka, Kansas
785 357 6321**

**March 4, 2004
Kansas House Taxation Committee
HB 2911
By Jim Gregory, The Kansas Chamber**

Mr. Chairman and members of the committee:

My name is Jim Gregory, representing The Kansas Chamber. The Kansas Chamber of Commerce supports HB 2911 which would exempt aircraft modification and maintenance activities from sales tax. Civil aviation links Kansas businesses and its people to the rest of the country and the world. Aviation has been a catalyst for the growth of commerce everywhere.

The world's small aircraft, more than half built right here in Kansas, allow rural areas and smaller cities to enter the mainstream of commerce in markets around the globe. Passage of HB 2911 would make Kansas' aviation service businesses more competitive and assist in the recovery of the state's the aerospace sector.

Thirty-five states, none of which have the concentration of high technology aircraft manufacturing jobs that Kansas possesses, have wisely decided to partially or fully exempt from sales taxes aircraft modification activities in their states, according to the National Business Aviation Association's State Aviation Tax Report.

The NBAA report cites the following 35 states that have chosen to exempt aircraft maintenance activities: Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, North Carolina, Oklahoma, Oregon, Rhode Island, South Carolina, Texas, Vermont, Virginia, West Virginia, and Wyoming. The Kansas Chamber of Commerce urges the House Taxation Committee to approve HB 2991 as a step toward keeping Kansas competitive for this important segment of the industry.

The Kansas Chamber is the statewide business advocacy group, with headquarters in Topeka. It is working to make Kansas more attractive to employers by reducing the costs of doing business in Kansas. The Kansas Chamber and its affiliate organization, The Kansas Chamber Federation, have nearly 7,500 member businesses, including local and regional chambers of commerce and trade organizations. The Chamber represents small, large and medium sized employers all across Kansas.

HOUSE TAXATION

Attachment 1

Date 3-5-04



the Chamber

Wichita Area Chamber of Commerce

March 4, 2004

**Testimony on House Bill 2911
House Taxation Committee
Bernie Koch
Wichita Area Chamber of Commerce**

Mr. Chairman, members of the Committee, Thank you for the opportunity to submit testimony today on House Bill 2911, the sales tax exemption for sales of aircraft, including remanufactured and modified aircraft, sales of aircraft repair, modification, and replacement parts, and sales of services employed in the remanufacture, modification and repair of aircraft.

Since the tragedy of 9/11, the Wichita/Sedgwick County economy has suffered from terrible losses in manufacturing employment. One out of every 5 manufacturing jobs has been lost in the Wichita Metropolitan area.

The Wichita State University Center for Economic Development and Business Research predicts the loss of another 2,000 manufacturing jobs in 2004. Over 300 job losses in manufacturing have been announced by the aircraft industry since the beginning of this year.

We believe this legislation can help hold the line on employment losses and prepare us for future job growth.

This exemption already exists in the law for aircraft engaged in interstate or foreign commerce. House Bill 2911 extends the exemption to all aircraft, making our aviation facilities in the Wichita area more competitive for these sales and services.

Anything that will make them more competitive is welcome and we urge your support of this measure.

Thank you for the opportunity to submit testimony.

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House Taxation
Attachment 2
Date 3-5-04



LEGISLATIVE TESTIMONY

TO: Chairperson and Members of the House Taxation Committee

SUBJECT: Testimony in Support of House Bill 2911

SUBMITTED BY: Allen Bell, Economic Development Director

DATE: March 5, 2004

Thank you for the opportunity to provide this written testimony in support of House Bill 2911. The City of Wichita strongly supports this legislation because it will strengthen the City's aerospace cluster in a very important way.

Much has been said about the need to diversify the Wichita economy. In one sense, that means attracting businesses and developing economic clusters outside of the aerospace cluster. In another sense, it means expanding the economy in areas other than manufacturing. H.B. 2911 will assist in diversifying the Wichita aerospace cluster beyond the primary manufacturing level.

In 2001, the Wichita aerospace cluster was the subject of a major national economic study carried out by Prof. Michael Porter of the Harvard Business School, one of the preeminent economic theorists of our time. Professor Porter studied the economies of Atlanta, Pittsburgh, the Research Triangle in North Carolina, San Diego and Wichita, each representing a different major economic cluster. A key finding in Porter's analysis of Wichita's aerospace cluster is that the cluster is too narrowly focused on original equipment manufacturing and needs to be broadened to encompass a wider range of aviation-related business activities. One area that was specifically mentioned is aircraft modification and repair services. H.B. 2911 will make Kansas more attractive to that type of business.

Aircraft modification and repair services are not subject to the business cycles that plague the aircraft OEMs, in fact to a certain extent, they are anti-cyclical. When OEM production drops, repair and modification of older aircraft can be expected to pick up. Aircraft modification and repair services employ highly compensated workers, such as airframe and powerplant mechanics. The City of Wichita is working with the Kansas Technical Training Initiative to help laid-off aircraft workers be retrained as A&P mechanics. H.B. 2911 will allow many more aircraft workers transition from manufacturing to the service side of the industry.

Late last year, the City of Wichita and its partners in the Greater Wichita Economic Development Coalition recruited a California aerospace company to move its business to Wichita, in large part to escape the very high costs of doing business in California. This company makes rubber seals and gaskets that go into originally manufactured aircraft. It has a sister company that performs repairs to aircraft wing and fuselage skins. Just as an example, H.B. 2911 will enhance our chances of recruiting the sister company to also move to Wichita.

Thank you for considering this testimony. Please pass H.B. 2911 out of Committee with a favorable recommendation.

House Taxation
Attachment 3
Date 3-5-04



K A N S A S

JOAN WAGNON, SECRETARY

DEPARTMENT OF REVENUE
OFFICE OF THE SECRETARY

KATHLEEN SEBELIUS, GOVERNOR

Testimony to the House Taxation Committee Joan Wagon

March 4, 2004
House Bill 2664

Chairman Edmonds and Members of the Committee:

I would like to introduce Jay Befort, staff attorney in Legal Services. House Bill 2664 proposes to add language to the tax warrant and lien statutes, specifically K.S.A. 79-3235 and 79-3617, which govern the filing of tax warrant to secure the payment of a number of the taxes administered by the Kansas Department of Revenue, including income, withholding, sales, use, liquor drink and enforcement taxes. The proposed language will create a statutory lien interest in favor of the state of Kansas in personal property of the delinquent taxpayer. This bill is identical to Senate Bill 412, recently heard in the Senate Committee on Assessment and Taxation.

Currently, the tax warrant statutes, K.S.A. 79-3235 and 79-3617, for income and withholding and sales and use taxes provide for the creation and perfection of a lien against the real property of the debtor upon filing of the tax warrant with the district court clerk. To perfect a lien against the personal property of the taxpayer requires that agents or the county sheriff seize the personal property of the taxpayer pursuant to the authority granted under the two statutes. The proposed language would afford the state of Kansas a lien interest in the equity in the personal property of the taxpayer without the necessity of costly seizures, storage and subsequent sale of the property.

The bankruptcy context illustrates a specific advantage of this proposal. Once in bankruptcy, the automatic stay prohibits the seizure of the debtor's property to perfect a lien in the debtor's personal property. A lien interest, established prior to the bankruptcy, in the equity in the personal property of the debtor would enable the secretary of revenue to assert a secured claim against such equity in the personal property of a bankruptcy debtor without requiring the seizure of the property. The result is an enhanced recovery of taxes that may otherwise be subject to discharge in the event the taxes are beyond the bankruptcy priority claim classification period or are otherwise unsecured.

The proposed lien against any equity in the personal property of the debtor would still be subject to any prior properly perfected security interests or liens of other creditors including those of the counties for personal property taxes.

We would be open to questions of the Committee concerning this proposal.



K A N S A S

JOAN WAGNON, SECRETARY

DEPARTMENT OF REVENUE
OFFICE OF THE SECRETARY

KATHLEEN SEBELIUS, GOVERNOR

Testimony to the House Taxation Committee
Joan Wagnon

March 5, 2004

House Bill 2776

Chairman Edmonds and Members of the Committee:

I would like to introduce Jeff Scott, Executive Manager of Compliance and Enforcement, who is with me today to assist in addressing your questions. We strongly encourage your support for House Bill 2776, which proposes a professional license renewal tax clearance process. This is one of several proposals we are advancing to step up our compliance efforts through tax clearance programs, following the successful completion of our recent tax amnesty program. Those other initiatives include House Bill 2680 and Senate Bill 414 (sales and withholding tax clearance process for liquor license renewals). We also support House Bill 2648 (mandatory revocation or suspension of motor vehicle dealer's license for 3-month delinquency in remittance of sales taxes). We would further support packaging any or all of these bills together as a comprehensive license renewal tax clearance initiative program. House Bill 2776 is identical to Senate Bill 468, the public hearing for which was held in the Senate Committee on Assessment and Taxation on February 16, 2004.

House Bill 2776 would require various licensing bodies or agencies listed to have or adopt procedures for the non-renewal of professional licenses if the agency receives notice from the department that the license is not current in the payment of taxes, or filing of tax returns. At least 90 days prior to license renewal, those agencies must electronically provide the department lists of all licensees, including the name and address, social security number, date of renewal, and the licensing agency name. Within 30 days of receipt of the licensee information from the licensing agency, the department will notify the licensee and the licensing body of those licensees who are delinquent in paying state taxes filing returns. The information exchanged between the department and each licensing agency will be protected under the confidentiality provisions that apply to taxpayer information. Once the licensing agency has been notified that the licensee is delinquent in paying taxes or filing returns, the licensing agency can renew the licensee only upon receiving a tax clearance certificate from the department that the licensee is current in paying taxes or filing returns. If the licensee's tax liability is under administrative appeal or is the subject of a current pay plan with the department, the license nonrenewal provisions will not be triggered.

We are open to suggestions for any improvements to the tax clearance process proposed in this bill. Attached are balloon amendments to address concerns expressed about increasing to 90

days the minimum notification period to delinquent licensees and to make clear that tax delinquent status will only be triggered by tax liability that is not in dispute.

Also attached is a spreadsheet listing the licensed professions encompassed in this proposal and the number of licensees in those professions—118,876 licensees. Because professional licenses are generally issued to individuals, the tax clearance program will focus primarily on individual income tax, and to a less extent, for those professionals who run their businesses as sole proprietorships, employer withholding tax and sales tax. We estimate that if this proposal is enacted, we will experience an increase in tax receipts and state general fund revenues over the next 4 fiscal years of \$1 million in FY 2005, \$2.5 million in FY 2006, \$2.5 million in FY 2007, and \$1 million in FY 2008.

The following states currently have professional license tax clearance programs: California, Delaware, Hawaii, Illinois, Indiana, Maryland, Minnesota, Missouri, and Vermont. States that have these programs uniformly report them as very effective for achieving tax compliance. Minnesota initiated its professional and business license tax clearance program in 1984. If the business or individual becomes delinquent in taxes, they receive a bill from the revenue department along with a notice of intent to revoke their license, which remains in jeopardy until the tax issue is resolved. California reported tax noncompliance rates among licensees of approximately 9% when it began its license tax clearance program in 1994. California has experienced significant decrease in the noncompliance rate since instituting its tax clearance program, although the current noncompliance percentage is not available. Missouri recently adopted a professional license tax clearance program and has also experienced very positive compliance results.

We expect Kansas' experience with achieving excellent taxpayer compliance results through a professional license tax clearance program will also be very positive, if this proposal is adopted.

1 respiratory therapist, athletic trainer, naturopathic doctor, insurance
2 agent, embalmer, funeral director, assistant funeral director, practical
3 nurse, professional nurse, mental health technician, optometrist, phar-
4 macist, real estate appraiser, real estate salesman, real estate broker, se-
5 curities broker-dealer, securities investment advisor, speech-language pa-
6 thologist, audiologist, engineer, architect, land surveyor, landscape
7 architect, geologist, veterinarian and veterinarian technician; and

8 (4) "taxes" means any taxes owed to the state by the licensee, includ-
9 ing any penalties and interest.

10 Sec. 2. All licensing bodies of this state shall have or shall adopt pro-
11 cedures for the denial of renewal of a license if the licensing body receives
12 information showing an applicant for the renewal of an existing license is
13 not current in the payment of taxes or the filing of tax returns.

14 Sec. 3. (a) Except as specifically provided by this act, no license shall
15 be renewed unless the applicant seeking renewal of a license is current
16 in the payment of all taxes owed to the state and has filed all tax returns
17 due with the state.

18 (b) The provisions of subsection (a) shall not apply to taxes which are
19 under ~~formal~~ appeal or for which an agreement for the payment of such
20 taxes has been entered into by the applicant for licensure and the de-
21 partment of revenue and the applicant for licensure is current in the
22 payments under such agreement.

audit or
administrative or
judicial

23 Sec. 4. (a) Not less than ~~60~~ days prior to the renewal date for any
24 license, the licensing body shall provide to the secretary of revenue a list
25 of all licenses, subject to such renewal date, including the name, address,
26 social security number and date of renewal of each licensee. Such list
27 shall be provided electronically in the format required by the secretary
28 of revenue. Within 30 days of receipt of such list from the licensing body,
29 the secretary of revenue shall notify those licensees who are not current
30 in the payment of taxes owed to the state or who have failed to file a tax
31 return with the state, and shall further notify the licensing body of such
32 delinquent licensees and the reason for delinquency.

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33 (b) If information received pursuant to subsection (a) from the sec-
34 retary of revenue shows that the licensee is not current in the payment
35 of taxes owed to the state or has failed to file a tax return with the state,
36 the licensing body shall not renew the license unless the licensing body
37 receives a tax clearance certificate from the secretary of revenue verifying
38 that the licensee has paid all taxes owed to the state and filed all tax returns
39 due to the state.

40 Sec. 5. If a license is not renewed pursuant to this act, any funds paid
41 by the licensee for renewal shall not be refunded by the licensing body.

42 Sec. 6. In any review of the licensing body's actions pursuant to this
43 act, conducted by the licensing body at the request of the licensee, the

Secretary of revenue

1 issues on such review shall be limited to the identity of the licensee and
2 the validity of the notice sent by the ~~licensing body~~ pursuant to section
3 4, and amendments thereto. The licensing body shall have no jurisdiction
4 over issues related to the tax obligation of the licensee.

5 Sec. 7. Any individual obtaining a license from a licensing body shall
6 provide the licensing body such individual's social security number.

7 Sec. 8. (a) Notwithstanding any provision of law prohibiting disclo-
8 sure by the department of revenue of the contents of taxpayer records or
9 information and notwithstanding any confidentiality statute of any state
10 agency or licensing body, all information exchanged among or disclosed
11 by the department of revenue, the licensing body and the debtor neces-
12 sary to accomplish and effectuate the intent of this act is lawful.

13 (b) The information obtained by a licensing body from the depart-
14 ment of revenue in accordance with the exemption authorized by sub-
15 section (a) shall be used only for the purpose authorized by this act. Any
16 person employed by, or formerly employed by, a licensing body, and who
17 receives information subject to the provisions of K.S.A. 79-3234, and
18 amendments thereto, or other information designated by law as confi-
19 dential, shall be subject to the same duty of confidentiality with respect
20 to such confidential information imposed by law on officers and employ-
21 ees of the department of revenue and shall be subject to any civil or
22 criminal penalties imposed by law for violations of such duty of
23 confidentiality.

24 Sec. 9. This act shall take effect and be in force from and after its
25 publication in the statute book.

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Name of Licensing Agency	Type Of Professional License	Frequency	# Licensees	TOTAL
Kansas Board Of Accountancy 296-2162	Certified Public Accountants	Ind - Biennial 6/30	3,696	3,696
Behavioral Sciences Regulatory Board 296-3240	Psychologists (Master 647, Clinical 607)	Biennial (Even Year)	1,254	7,590
	Social Workers (Bachelors, Masters, Clinical)	Biennial (Month Reg.)	5,370	
	Professional Counselors	Biennial (Month Reg.)	520	
	Marriage & Family Therapists	Biennial (Month Reg.)	365	
	Alcohol & Other Drug Rehabilitation Counselors	Biennial (Month Reg.)	81	
Kansas Dental Board 296-6400	Doctors of Dental Surgery	Biennial (Even Years)	1,981	3,705
	Dental Hygienists	Biennial (Odd Years)	1,724	
Board Of Healing Arts	Doctors - Medical/Surgical	Annual - Jun 30		10,107
	Doctors - Osteopathic	Annual - Sep 30		
	Doctors - Chiropractic	Annual - Dec 31		
	Doctors - Pediatric	Annual - Jun 30		
	Physicain's Assistants (PA, PTA, OTA)	Annual	1,801	
	Therapists (Respiratory, Physical, Occupational)	Annual	1,940	
	Athletic Trainers	Annual	290	
	Naturopathists	Annual	4,031	
Insurance Commissioner 296-3071	Insurance Agents	Biennial (birth month)	1,993	1,993
Office of the Clerk of the Supreme Court of KS 296-8409	Attorneys		9,597	9,597
Board Of Mortuary Arts	Funeral Directors	Biennial	778	1,788
	Embalmers		698	
	Assistant Funeral Director		312	
Board Of Nursing 296-4929	Advanced Registered Nurse Practitioners	Biennial (birthmonth)		41,887
	Registered Nurses	Biennial (birthmonth)		
	Licensed Practical Nurses	Biennial (birthmonth)		
	Licensed Mental Health Technicians	Biennial (birthmonth)		
Kansas State Board Of Examiners In Optometry	Doctors Of Optometry	Biennial (May)	579	579
Kansas State Board Of Pharmacy	Pharmacists	Biennial (even/odd alternate years)	3,583	3,583
Kansas Real Estate Appraisal Board	State Licensed Real Property Appraisers	Annual	260	1,144
	Certified Residential Real Property Appraisers	Annual	331	
	Certified General Real Property Appraisers	Annual	436	
	Provisional Real Prop Appraisers (Trainee)	Annual	117	
Kansas Real Estate Commission	Agent/Salespersons	Biennial (bi monthly)	5,953	10,218
	Brokers	Biennial (bi monthly)	4,265	
Office Of The Kansas Securities Commissioner	Securities Broker-Dealers	Annual	1,738	3,897
	Investment Advisers	Annual	2,159	
Speech-language Pathology & Audiology Board	Speech-language Pathologist			
	Audiologist			
Kansas State Board Of Technical Professions	Architects	Biennial	2,584	13,807
	Landscape Architects	Biennial	388	
	Geologists	Biennial	597	
	Land Surveyors	Biennial	793	
	Engineers	Biennial	9,445	
Veterinarian Board 456-8781	Veterinarians	Annual (June 30)	1,164	1,164
TOTAL:				118,786



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Legislative Testimony

HB 2776

Friday, March 5, 2004

Testimony before the Kansas House Taxation Committee
By Marlee Carpenter, Vice President Government Relations

The Kansas Chamber agrees with the intent of HB 2776 that all businesses should pay taxes. However, this measure does not provide adequate due process safeguards for the licensed professional to dispute their claims. There are provisions in Section 6 of the bill that addresses a review with the licensing body, but the scope of the review is so limited that it is not adequate.

The bill additionally proscribes a timeline for the licensing body to provide information to the Kansas Department of Revenue and then for the Department to provide a list back to the licensing body of those not current with their taxes. There are no provisions in place that address the possibility of the Department of Revenue not providing the information back to the licensing body in a timely fashion. This situation needs to be addressed so that those licensed professional are not waiting on the Kansas Department of Revenues to renew their license and are unable to practice.

Again, the Kansas Chamber agrees with the intent of the proposed bill that all businesses should pay their taxes. Thank you for your time and I will be happy to answer any questions.

House Taxation
Attachment 6
Date 3-5-04

The Kansas Chamber is the statewide business advocacy group, with headquarters in Topeka. It is working to make Kansas more attractive to employers by reducing the costs of doing business in Kansas. The Kansas Chamber and its affiliate organization, The Kansas Chamber Federation, have nearly 7,500 member businesses, including local and regional chambers of commerce and trade organizations. The Chamber represents small, large and medium sized employers all across Kansas.



TO: HOUSE TAXATION COMMITTEE
FROM: BILL YANEK, KAR DIRECTOR OF GOVERNMENTAL RELATIONS
DATE: March 5, 2004
SUBJECT: House Bill 2776

The Kansas Association of REALTORS® opposes House Bill 2776.

The Kansas Association of REALTORS® believes that its members should remain current in the payment of all taxes owed to the state. All REALTORS® should timely file all tax returns due with the state.

However, REALTORS® and the other professional licensees included in HB 2776 should not be denied their ability to practice their profession should they become not current in taxes owed to the state or untimely in tax returns due with the state.

The denial contemplated by HB 2776 creates a number of troubling consequences that in no way relate to remedying an unpaid or delinquent tax paying problem.

1. By revoking a professional's license, the state is denying that professional's ability to earn income that could be used to become current in a delinquent or unpaid tax situation.
2. Kansas law requires that all real estate licensees associate with a supervising broker. If a broker's license is revoked, agents associated with that broker cannot practice their profession.
3. This bill contemplates that not less than 90 days prior to a license renewal the licensing body must notify the Secretary of Revenue of the potential license renewal. Within 30 days (possibly only 60 days prior to renewal) the Secretary of Revenue will notify the licensee of unpaid taxes or delinquent returns. This gives the licensee only 2 months to remedy what may be a very extensive and complicated tax problem.

The Kansas Association of REALTORS® urges that you not pass HB 2776.

House Taxation
Attachment 7
Date 3-5-04



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TO: House Taxation Committee
FROM: Christina Collins *Christina Collins*
Director of Government Affairs
DATE: March 5, 2004
RE: HB 2776

Chairman Edmonds and Members of the Committee:

Thank you for the opportunity to submit written comments in opposition to HB 2776. The bill requires state agencies that oversee the licensed and regulated professions to refuse to renew professional licenses for individuals whom are delinquent in their state taxes. The Kansas Medical Society strongly agrees all Kansans should pay their taxes and that penalties should attach to those who don't.

However, we believe this bill has some shortcomings that might be rather difficult to remedy and therefore urge its defeat. If the underlying goal of this legislation is to ensure that taxes are paid, such a measure might be counterproductive. In most cases, the revocation of an individual's professional license means that he or she will be unable to earn income to satisfy a tax obligation. To eliminate a licensee's ability to earn income may be a rather harsh penalty that does nothing to solve the practical problem of ensuring that taxes are paid.

Revocation of an individual's license to practice a profession has many far-reaching consequences. In the case of physicians, it means that an individual may have to temporarily close a practice and redirect patients who urgently need medical care. It requires cancellation of contracts with insurance companies and cancellation of state-required professional liability insurance coverage. The revocation of a license must be reported to the National Practitioner Databank and once taxes are paid and the license reinstated, it may become much more difficult and expensive to obtain professional liability insurance for reasons having nothing to do with the quality of care a physician may provide. Closure of a practice necessarily means that the employment of all support staff would be terminated. Passage of this bill has the potential to prevent health care

House Taxation
Attachment 8
Date 3-5-04

professionals in medically underserved and rural areas from providing medical services. If a physician's license is revoked, mid-level practitioners supervised by that physician will no longer be able to practice, either. Moreover, adequate remedies at law already exist to ensure that taxes may be collected, such as garnishment and liens. This bill also unwittingly imposes harsher penalties on professionals -- eliminating their means of income -- than on other Kansans who do not practice regulated professions.

This bill presents challenges for the licensing agencies involved. Licensing boards, statutorily charged with ensuring standards of professional competence are met and maintained, will instead be asked to divert their already thin resources to tax collection, a responsibility traditionally in the realm of the Secretary of Revenue.

For the foregoing reasons, the Kansas Medical Society respectfully urges the defeat of this bill. While we agree that all Kansans must pay their taxes as required by law, HB 2776 would impose a very harsh penalty that would undermine an individual's ability to pay their tax debt. Thank you for considering our comments.



**KANSAS BAR
ASSOCIATION**

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Website: www.ksbar.org

Testimony in Opposition to

HOUSE BILL NO. 2776

Presented by Jim Clark, Legislative Counsel, Kansas Bar Association
House Taxation Committee March 5, 2004

The Kansas Bar Association appears as an opponent to **HB 2776** not because we think licensees of the state who happen to be attorneys should be allowed to avoid taxes in the State of Kansas. In fact, one of our main legislative policies, the funding of the court system, depends on tax law compliance by all taxpayers.

Our concern with this bill is that under our system of government, the Kansas Supreme Court regulates the practice of law. This regulation includes admission, continuing education requirements, and, thankfully in only a few cases, disbarment. The effect of HB 2776 on the Supreme Court's regulation of attorneys creates uncertainty, at best.

For that reason, the KBA would request that all references to attorneys and the Kansas Supreme Court be deleted from the bill. In the alternative, we would propose the following amendment:

At Section 4, line 24, after "licensing body" insert "except the Kansas Supreme Court".

Also at Section 4, at line 32, after "delinquency." insert "The Secretary of Revenue shall notify any attorney who is not current in the payment of taxes owed to the state by April 1 of each year, and shall notify the Disciplinary Administrator of such delinquency."

This proposed amendment puts both the attorney and the Disciplinary Administrator on notice of the delinquency 90 days before the annual requirement for registration with the Supreme Court. The exemption of attorneys removes any conflict in the procedures created in this bill with the procedures already in place for disciplining attorneys and, if necessary, removing their license to practice law.

Thank you for your consideration.

House Taxation
Attachment 9
Date 3-5-04



KANSAS

KANSAS REAL ESTATE COMMISSION
SHERRY C. DIEL, EXECUTIVE DIRECTOR

KATHLEEN SEBELIUS, GOVERNOR

Memo To: House Taxation Committee
From: Sherry C. Diel, Executive Director
RE: HB 2776
Date: March 5, 2004

HB 2776 would require a professional licensing agency, such as the Kansas Real Estate Commission, to deny an application for renewal of professional license if the applicant is delinquent in the submission of tax returns or payment of taxes. Although the term "revocation" is utilized in the enacting clause, it does not appear that the proposed legislation provides agencies with the authority to take disciplinary action against an existing license.

The Kansas Real Estate Commission is a neutral party with respect to the proposed legislation. The Commission simply requests a technical amendment to the proposed language for clarification purposes:

Page 2, Line 4: ". . . real estate ~~salesman~~ salesperson, real estate broker . . ."

For purposes of the Real Estate Commission's jurisdiction, K.S.A. 58-3035(i) uses gender neutral terms by defining a "licensee" to mean "any person licensed under this act [K.S.A. 58-3034 *et seq.*] as a broker or salesperson".

Thank you for your consideration. I would be happy to answer any questions.

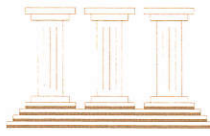
HOUSE TAXATION

Attachment 10

Date 3-5-04

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KANSAS TRIAL LAWYERS ASSOCIATION

Lawyers Representing Consumers

TO: Members of the House Taxation Committee
FROM: Gary D. White, Jr., Kansas Trial Lawyers Association
RE: HB 2776
DATE: March 5, 2004

Chairman Edmonds and members of the House Taxation Committee, my name is Gary White and I appear before you today on behalf of the Kansas Trial Lawyers Association. I am a Topeka attorney and member of the KTLA executive committee. KTLA is a statewide, nonprofit organization of lawyers who represent consumers and advocate for the safety of families and the preservation of the civil justice system. We appreciate the opportunity to present written and oral testimony in opposition to HB 2776.

While KTLA does not support the failure of any licensee to pay taxes that are due, we respectfully submit that HB 2776 will not assist the Department of Revenue in its efforts to collect overdue taxes. In fact, it is our belief that the effect of the law would be counterproductive to the collection of back due taxes as a licensee would not be able to practice their chosen profession to earn money to pay their overdue taxes.

Although it is not the intent of HB 2776, the practical application of the bill will result in punishment of professional licensees where a corporation or individual would not be so punished. For example, if taxes are overdue from a corporation the State of Kansas cannot take the corporation's charter so they cannot operate their business. Similarly, if taxes are overdue from a truck driver the State cannot take the license of the truck driver so he or she cannot operate a truck. An obvious reason why the State does not take the corporate charter or the driver's license is so the taxpayer can continue to work and have the ability to pay their taxes. For this same reason, we should not take the license of a professional licensee but should instead encourage them to practice their chosen profession so they have the ability to pay their taxes.

The Kansas Trial Lawyers Association urges that the legislature seek other ways to promote the collection of overdue taxes. The non-renewal of a professional license is not sound public policy and in fact is counterproductive as the licensee will be unable to practice his or her profession to earn money to pay overdue taxes.

HOUSE TAXATION

Attachment 11

Date 3-5-04

Terry Humphrey, Executive Director



K A N S A S

JOAN WAGNON, SECRETARY

DEPARTMENT OF REVENUE
OFFICE OF THE SECRETARY

KATHLEEN SEBELIUS, GOVERNOR

Testimony to the House Taxation Committee Joan Wagnon

March 5, 2004

House Bill 2744

Chairman Edmonds and Members of the Committee:

House Bill 2744 amends several confidentiality provisions associated with tax returns, reports and investigations and licensing applications. This proposal will allow the department to uniformly apply the confidentiality provisions to all excise tax types while balancing the legitimate need for information derived from these records with the intent to keep such information confidential. The proposal will also relocate existing language concerning exceptions to the confidentiality requirements, making the exceptions easier to locate. House Bill 2744 is identical to Senate Bill 477, for which a public hearing was held in the Senate Committee on Assessment and Taxation on February 16, 2004.

The proposed substantive changes would expand access to tax and/or license related information as follows:

- The department may release the information on a sales or other excise tax license (certificate) issued by the department, except for the tax identification number. This will allow individuals and other retailers the ability to verify if a business is registered with the state.
- The Secretary of Revenue may provide specific income, excise, or privilege taxpayer information to the governor, the secretary of commerce or any state senator or representative if such information is relevant to determining the fiscal impact of an introduced legislative proposal. The persons receiving the information would be subject to the same confidentiality restrictions and penalties as department employees. We request that the bill be amended to add "staff of Legislative Research Department and the Revisor of Statutes" to the list of persons who could receive specific taxpayer information.
- The department may share information with the following state agencies for the purpose of administering a specific tax and/or fee:
 - Secretary of Health and Environment: environmental surcharge or solvent fee
 - Secretary of the State Board of Agriculture: water protection fee
 - Secretary of the Kansas Water Office: water protection fee
 - Secretary of Commerce: enterprise zone exemptions and income tax credits

HOUSE TAXATION

Attachment 12

Date 3-5-04

- The department may provide city/county clerks/treasurers with distribution reports of the distributions made to their respective city or county from any tax type, not just retailer's sales and transient guest.
- The department may publish specific statistical reports in their entirety rather than excluding localities or business segments with a limited number of entities being represented.
- The department may publish limited information from liquor license applications, liquor brand registrations, and cigarette and tobacco license applications.

The department respectfully requests that the attached amendment be considered. The amendment would allow the release of licensing information obtained through the administration of various liquor and tobacco acts to criminal justice agencies and law enforcement officers. This is provided for under current law. However, after further review, we determined that our proposal, as introduced, did not provide for this.

If the Committee has concerns with the proposed language providing for disclosure of confidential taxpayer information to legislators, we would urge our support for this bill, even if that proposed language is removed.

1 license number;

2 (13) provide environmental surcharge or solvent fee, or both, infor-
3 mation from returns and applications for registration filed pursuant to
4 K.S.A. 65-34,150 and 65-34,151, and amendments thereto, to the secre-
5 tary of health and environment or the secretary's designee for the sole
6 purpose of ensuring that retailers collect the environmental surcharge tax
7 or solvent fee, or both;

8 (14) provide water protection fee information from returns and ap-
9 plications for registration filed pursuant to K.S.A. 82a-954, and amend-
10 ments thereto, to the secretary of the state board of agriculture or the
11 secretary's designee and the secretary of the Kansas water office or the
12 secretary's designee for the sole purpose of verifying revenues deposited
13 to the state water plan fund;

14 (15) provide to the secretary of commerce specific taxpayer infor-
15 mation relevant to any enterprise zone sales tax exemption pursuant to
16 subsection (cc) of K.S.A. 79-3606, and amendments thereto, sought by
17 such taxpayer; and

18 (16) disclose specific taxpayer information to the governor, secretary
19 of commerce or any state senator or representative if the secretary deter-
20 mines that such information would be relevant to determining the fiscal
21 impact of any introduced legislative proposal. The confidentiality of such
22 information shall be protected and any discussion involving such specific
23 taxpayer information by a legislative body shall be prohibited.

24 (c) Any person receiving any information under the provisions of sub-
25 section (b), ~~(e)~~ or ~~(d)~~ shall be subject to the confidentiality provisions of
26 subsection (a) and to the penalty provisions of subsection ~~(f)~~ (d).

27 ~~(f)~~ (d) Any violation of this section shall be a class B, nonperson mis-
28 demeanor, and if the offender is an officer or employee of this state, such
29 officer or employee shall be dismissed from office.

30 Sec. 3. K.S.A. 79-1119 is hereby amended to read as follows: 79-
31 1119. (a) All reports, statements, lists and returns required under the
32 provisions of article 11 of chapter 79 of the Kansas Statutes Annotated
33 shall be preserved for three ~~(3)~~ years and thereafter until the director of
34 taxation orders them to be destroyed.

35 (b) Except in accordance with proper judicial order, or as provided
36 in subsection (c) of this section, subsection (g) of K.S.A. 17-7511 or 46-
37 1106, it shall be unlawful for the director of taxation, or any deputy, agent,
38 clerk or other officer, employee or former employee of the department
39 of revenue or any other state officer or employee or former state officer
40 or employee to divulge, or to make known in any way, the amount of
41 income or any particulars set forth or disclosed in any report, statement,
42 list, return, federal return or federal return information required under
43 the provisions of article 11 of chapter 79 of the Kansas Statutes Anno-

(17) disclose information received pursuant to the liquor control act, club and drinking establishment act, nonalcoholic malt beverage act or the Kansas cigarette and tobacco act and subject to the confidentiality provisions of this act to any criminal justice agency, as defined in K.S.A. 22-4701(c), or to any law enforcement officer, as defined in K.S.A. 21-3110(c)(10), on behalf of a criminal justice agency, when requested in writing in conjunction with a pending investigation.

1 or returns and the items thereof, ~~or;~~
2 (2) *allow* the inspection of returns by the attorney general or other
3 legal representatives of the state. ~~Nothing in this section shall prohibit;~~
4 (3) *provide* the post auditor ~~from~~ access to all income tax reports or
5 returns in accordance with and subject to the provisions of subsection (g)
6 of K.S.A. 46-1106 or K.S.A. 46-1114, and amendments thereto. ~~Nothing~~
7 ~~in this section shall be construed to prohibit the disclosure of;~~
8 (4) *disclose* taxpayer information from income tax returns to persons
9 or entities contracting with the secretary of revenue where the secretary
10 has determined disclosure of such information is essential for completion
11 of the contract and has taken appropriate steps to preserve confidentiality.
12 ~~Nothing in this section shall be construed to prohibit the disclosure of~~
13 ~~job creation and investment information derived from tax schedules re-~~
14 ~~quired to be filed under the Kansas income tax act to the secretary of~~
15 ~~commerce. Nothing in this section shall be construed to prohibit the~~
16 ~~disclosure of;~~
17 (5) *disclose to the secretary of commerce specific taxpayer informa-*
18 *tion concerning or relevant to any income tax credits and amounts thereof*
19 *claimed by such taxpayer or evaluating the effectiveness of any tax credit*
20 *program;*
21 (6) *disclose* income tax returns to the state gaming agency to be used
22 solely for the purpose of determining qualifications of licensees of and
23 applicants for licensure in tribal gaming. Any information received by the
24 state gaming agency shall be confidential and shall not be disclosed except
25 to the executive director, employees of the state gaming agency and mem-
26 bers and employees of the tribal gaming commission. ~~Nothing in this~~
27 ~~section shall be construed to prohibit the disclosure of;~~
28 (7) *disclose* the taxpayer's name, last known address and residency
29 status to the department of wildlife and parks to be used solely in its
30 license fraud investigations. ~~Nothing in this section shall prohibit the dis-~~
31 ~~closure of;~~
32 (8) *disclose* the name, residence address, employer or Kansas ad-
33 justed gross income of a taxpayer who may have a duty of support in a
34 title IV-D case to the secretary of the Kansas department of social and
35 rehabilitation services for use solely in administrative or judicial proceed-
36 ings to establish, modify or enforce such support obligation in a title IV-
37 D case. In addition to any other limits on use, such use shall be allowed
38 only where subject to a protective order which prohibits disclosure out-
39 side of the title IV-D proceeding. As used in this section, "title IV-D
40 case" means a case being administered pursuant to part D of title IV of
41 the federal social security act (42 U.S.C. § 651 *et seq.*) and amendments
42 thereto. Any person receiving any information under the provisions of
43 this subsection shall be subject to the confidentiality provisions of sub-

P



League of Kansas Municipalities

300 SW 8th Avenue
Topeka, Kansas 66603-3912
Phone: (785) 354-9565
Fax: (785) 354-4186

Date: March 5, 2004
To: House Committee on Taxation
From: Larry R. Baer
Assistant General Counsel
Re: HB 2744 - Testimony in Support

Thank you for allowing me to appear before you today on behalf of the League of Kansas Municipalities and its member cities to present testimony in support of HB 2744.

HB 2477 clarifies and broadens the scope of information that can be shared between state agencies and others relating to the collection, payment and enforcement of tax collections. This includes giving the Department of Revenue the authority to share much more detailed information on retailers doing business in the city or sourcing taxable sales to the city and confirming whether or not a retailer is registered with the state. Similar types of information could also be furnished to cities, upon request, for alcohol sales.

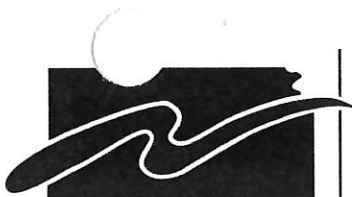
Receipt of additional, detailed tax payment information will be beneficial to cities. It allows better information to verify tax distributions and to help with the preparation of revenue projections during the budget process. By receiving information identified to retailer, a city can better track its sources of sales and use tax revenues and what effect, if any, destination sourcing and local use tax is having on its revenue stream. As with anything, the more information that is available the easier it is to plan.

There have been times when cities have had questions as to whether or not they were receiving the proper payments from the State. This should help to alleviate some of these concerns. A city could track revenue from specific sources and see whether or not collections from specific segments of their retailers were steady, climbing or declining.

Of course, this bill also has the effect of strengthening the collection powers of KDOR. This is important not only to the State, but to local government as well.

Admittedly, HB 2744 is a change in policy. But, it is a policy change for the betterment of the State of Kansas and cities and counties. It should create some efficiencies at the State level. It will provide for more information being received at the local level which will assist in local planning. For these reasons the League of Kansas Municipalities supports HB 2744 and asks that you pass it out favorably.

HOUSE TAXATION
Attachment 13
Date 3-5-04



KANSAS
ASSOCIATION OF
COUNTIES

TESTIMONY
concerning House Bill No. 2744
Confidentiality of Tax Information
Presented by Randall Allen
House Taxation Committee
March 5, 2004

Mr. Chairman and members of the committee, I appreciate the opportunity to testify in support of HB 2744, concerning the confidentiality of tax information maintained by the Kansas Department of Revenue.

HB 2744 is a bill which provides a way for city or county clerks or treasurers to request monthly reports identifying each retailer doing business in that city or county or making sales sourced to such city or county under the destination-based sourcing rules, along with the amount of tax remitted during the preceding month and identifying each business location maintained by the retailer. The purpose of the release of such information to the local officials and their staffs is to verify that the locations sourced by the retailer are, in fact, within the correct jurisdiction and to identify potential errors for the Department of Revenue to pursue and correct, as necessary.

The Kansas Department of Revenue (KDOR), as a state agency, cannot possibly know every geographical feature of a city or county. As such, local authorities who work with their taxpayers on a day-to-day basis can give enormous assistance to KDOR for purposes of follow-up and compliance with the law. Obviously, for every tax dollar due and owing that is collected, the less burden there will be on the remaining tax base. I would anticipate that the occasional miscoding of an address to an incorrect jurisdiction would also be identified through this process, which means that the distributions would be even fairer.

The sharing of this information carries with it an obligation of the local official to use such information only for the purposes defined in law (i.e. verifying distributions and/or preparing revenue projections). This is a serious obligation and it is therefore appropriate that a penalty be imposed in the event such information is inappropriately released.

We urge the committee to act favorably upon HB 2744. Thank you.

The Kansas Association of Counties, an instrumentality of member counties under K.S.A. 19-2690, provides legislative representation, educational and technical services and a wide range of informational services to its members. Inquiries concerning this testimony can be directed to Randall Allen or Judy Moler at the KAC by calling (785) 272-2585.

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HOUSE TAXATION
Attachment 14
Date 3-5-04



**THE KANSAS
CHAMBER**

The Force for Business

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Legislative Testimony

HB 2744

Friday, March 5, 2004

**Testimony before the Kansas House Taxation Committee
By Marlee Carpenter, Vice President Government Relations**

The Kansas Chamber opposes HB 2744, allowing confidential taxpayer information to be released to the governor, secretary of commerce or any representative or senator.

The Kansas Chamber acknowledges that accurate and consistent fiscal notes are very important to the legislative process, but allowing confidential taxpayer information to be released is not the way to fix that issue. Even with the confidentially provisions provided in the bill there is no guarantee that the information will stay confidential after it is released.

The Kansas Chamber urges HB 2744 not be passed. Thank you for your time and I will be happy to answer any questions.

HOUSE TAXATION

Attachment 15

Date 3-5-04

The Kansas Chamber is the statewide business advocacy group, with headquarters in Topeka. It is working to make Kansas more attractive to employers by reducing the costs of doing business in Kansas. The Kansas Chamber and its affiliate organization, The Kansas Chamber Federation, have nearly 7,500 member businesses, including local and regional chambers of commerce and trade organizations. The Chamber represents small, large and medium sized employers all across Kansas.