Approved: <u>May 4, 2006</u>

Date

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE

The meeting was called to order by Chairman Barbara Allen at 11:10 on May 2, 2005 in Room 519-S of the Capitol.

All members were present.

Committee staff present:

Chris Courtwright, Kansas Legislative Research
Gordon Self, Revisor of Statutes Office
Judy Swanson, Secretary

Conferees appearing before the committee:

Others attending:

See attached list.

A letter from the City of Wichita City Manager concerning **<u>SB 365</u>** was distributed. (<u>Attachment 1</u>)

Chairman Allen led discussion on machinery and equipment tax exemptions.

<u>Senator Apple moved to amend **SB 488, distribution of the local ad valorem tax reduction and county and city revenue sharing funds**, with provisions that would remove the "slider" portion of HB 2525, remove the House Floor amendments relating to Homestead, and insert partial reinstatement of LAVTRF funding beginning in FY 2009. Senator Lee seconded the motion.</u>

<u>Senator Schmidt made a substitute motion to enact a sales tax mitigator with a five-year sunset provision. Senator Jordan seconded the motion.</u>

Discussion followed. Senator Schmidt expressed concern about a LAVTRF component. Senator Lee said this proposal would be viewed as a tax increase, and LAVTRF is not a tax increase. Senator Schmidt's sales tax provision would be subject to protest petition. Senator Allen distributed a memo from Chris Courtwright showing estimated losses by county from the m and e tax exemption versus revenue generated by county from a .05 percent sales tax. (<u>Attachment 2</u>) Senator Goodwin said this is a state issue, not a county issue, and the counties must be made whole by the state for their losses.

<u>The vote was taken on Senator Schmidt's substitute motion, and the motion passed.</u>

<u>Senator Apple moved his original motion which would remove slider mitigation and replace with partial reinstatement of LAVTRF funding in FY 2009, remove Homestead amendments, and amend provisions of **HB 2619, property tax exemption for certain commercial and industrial machinery and equipment, materials and supplies** and **HB 2525, property tax exemption for certain telecommunications machinery and equipment and railroad machinery and equipment**, into **SB 488.** Senator Lee seconded the motion, and after considerable discussion the motion passed.</u>

<u>Senator Pine moved to amend the provisions of **SB 443, claims for exemption from property tax for farm storage and drying equipment and hay storage structures**, into **SB 488.** Senator Schmidt seconded the motion and the motion carried.</u>

<u>Senator Donovan moved to further amend **SB 488** by adding a property tax credit for digital broadcast equipment. Senator Jordan seconded the motion, and the motion passed.</u> (<u>Attachment 3</u>)

<u>Senator Bruce moved to further amend **SB 488** by lowering the CM&E property tax on newly acquired equipment to 20%, rather than completely eliminating it. Senator Apple seconded the motion, and the motion passed.</u>

Staff noted there may be a constitutional question about Senator Bruce's motion. Senator Schmidt expressed concern about m and e owned by a business that goes through bankruptcy being treated as newly acquired property. Mark Beck, KDOR, said the House did not address businesses in bankruptcy. Is a bankruptcy a "going concern" is the question which needs a clarifying answer. Secretary of Revenue Joan Wagnon said she thought the rules and regulation authority the KDOR has in the m and e bill could take care of clarifying the definition of "newly acquired" equipment.

Senator Schmidt moved to amend **SB 488** by defining the term "acquired", and to further clarify language related to bankruptcy as needed. Senator Donovan seconded the motion, and the motion passed.

Senator Bruce moved to create a substitute bill for **SB 488**, and then report **Sub. SB 488** favorably for passage. Senator Pine seconded the motion, and the motion passed.

Being no further business, the Committee adjourned at 12:52 p.m.

SENATE
ASSESSMENT & TAXATION COMMITTEE

GUEST LIST

DATE: 05-02-06

NAME	REPRESENTING
Richard Cram	KDOR
David Corbin	KDOR
LARRY R BAER	LKM
JEANNE GOODWIN	City of Wichita
Michael Smith	KAC
April Holman	Kansas Action for Children
Jennie Rose	KACCT
TOM PALACE	PMCA OF KS
DON MCNEELY	KADA
Jim Mann	Spirit AeroSystems
MARK BORANYAK	CAPITOL STRATEGIES
Marlee Carpenter	Kansas Chamber
Christy Caldwell	Topeka Chamber of Comm
Mike Murray	Sprint
J.P. Small	KOCH INDUSTRIES, INC.
LEW EBERT	THE KANSAS CHAMBER
JACQUELINE CLARK	Hallmark Card
Bernie Koch	Wichita Chamber of Commerce

SENATE
ASSESSMENT & TAXATION COMMITTEE

GUEST LIST

DATE: May 2, 06

NAME	REPRESENTING
Harriet Lange	Ks Assn of Broadcasters
Ken Seeber	Hein Law Firm
Leslie Kaufman	Ks Coop Council
Andy S Lunn	Kearney & Associates

CITY OF WICHITA

May 1, 2006

Senate Assessment and Taxation Committee
State Capitol
Topeka, Kansas

Re; Machinery & Equipment Tax Exemption (SB 365)

Chairman Allen and Senators:

The proposed legislation on Machinery & Equipment Exemption is of grave concern to the City Council and Staff of the City of Wichita,. This proposal would have serious revenue consequences for City of Wichita if mitigation provisions are not included.

The City of Wichita urges the Senate Committee and all legislators to NOT exempt business machinery and equipment from property taxes UNLESS the State completely reimburses local governments for these lost property tax revenues. Thank you for your consideration.

George Kolb, City Manager

City Manager's Office

City Hall • 13th Floor • 455 North Main • Wichita, Kansas 67202-1667

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Assessment & Taxation
Date 5-2-06
Attachment # 1

MEMORANDUM May 2, 2006

To: Sen. Barbara Allen
From: Chris W. Courtwright, Principal Economist
Re: Local Option Sales Tax Mitigation Strategy

The attached table relates to your request to get an idea of how effective local option sales taxes would be in terms of offsetting the amount of foregone machinery and equipment property tax revenue in various counties.

As we discussed yesterday, there really is not a specific set of assumptions for each county with respect to the growth of machinery and equipment property taxes under current law and under the proposed exemption. However, there is a statewide set of assumptions that PVD has developed. While I'm not terribly comfortable with extending the statewide assumption to each of the 105 counties, I suppose I've made projections a few times over the years with even less to go on.

I have plugged in as a starting point the 2005 machinery and equipment property taxes collected in each county and then backed out the taxes that ultimately go to the state (21.5 mills).

I also have obtained from the Department of Revenue the estimated amount of sales and use taxes that could be raised under the proposed maximum new local authority of 0.5 percent in each county.

Consider that Allen County had $1.419 million in m and e property taxes in 2005. Of this amount, $1.198 million ended up being distributed to taxing subdivisions other than the state. Using the statewide assumption with respect to the impact on m and e taxes in Allen County would suggest a reduction in revenues to the local units in that county of about $0.018 million in 2006; $0.239 million in 2007; $0.453 million in 2008; $0.628 million in 2009; $0.755 million in 2010; $0.847 million in 2011; and $0.923 million in 2012. If Allen County were to impose a sales/use tax at the maximum new authority of 0.5 percent, about $0.701 million in revenue would be produced.

Assessment & Taxation
Date 5-2-06
Attachment # 2

M and E with Local Sales Tax Option Mitigation

* Slider is removed and replaced with a "local-option" mitigation strategy.

* Counties would have the option of imposing a sales tax of up to 0.5 percent pursuant to a publication and protest petition procedure once their machinery and equipment property tax receipts had fallen below a certain percentage of the 2005 (base year) receipts.

* The new sales taxes collected would be required to be used for property tax relief and would be distributed to taxing subdivisions located in counties utilizing this authority based on the LAVTRF distribution formula (which provides for distributions to all taxing subdivisions except school districts).

* The Secretary of Revenue would be responsible for certifying when each county's machinery and equipment property tax receipts had declined to the "triggering point" that would authorize the new authority.

* The new authority would be triggered if tax year 2006 business m and e property tax receipts were 5% or more below tax year 2005 receipts; if tax year 2007 receipts were 10% or more below tax year 2005 receipts; if tax year 2008 receipts were 15% or more below tax year 2005 receipts; if tax year 2009 receipts were 20% or more below tax year 2005 receipts; or if tax year 2010 receipts were 25% or more below tax year 2005 receipts.

* Any county imposing such a tax would be required to comply with all other timing requirements with respect to imposition of other local sales taxes (could not start until the next calendar quarter, etc.)

* Any such tax imposed by a county would be permanent.

* Other two forms of mitigation (expansion of both homestead programs) also removed.

* Current m and e provisions of SB 365 have cumulative f note of $298.664 million through FY 2013. (The school finance homestead 20k-30k provision is not in this version). Removing the expansion of the traditional homestead program would reduce that cumulative fiscal note to $177.564.

* Removing the slider provisions and replacing them with the local option sales tax would reduce the cumulative fiscal note to only $9.452 million through FY 2013.

Using Assumption for Statewide Average M/E Tax Reductions, Applied to Each County

County Name	2005 CI/ME Tax	20 mills	1.5 mills	**Others**	avg red 06	avg red 07	avg red 08	avg red 09	avg red 10	avg red 11	avg red 12	0.5 sales/use
Allen	1,419,151	$206,103	$15,458	**$1,197,590**	-$18,416	-$239,431	-$453,479	-$627,754	-$755,336	-$846,565	-$922,942	$ **700,942**
Anderson	189,248	$26,657	$1,999	**$160,592**	-$2,469	-$32,107	-$60,810	-$84,179	-$101,287	-$113,521	-$123,762	$ **334,716**
Atchison	1,476,124	$207,067	$15,530	**$1,253,527**	-$19,276	-$250,614	-$474,660	-$657,075	-$790,616	-$886,106	-$966,051	$ **874,596**
Barber	419,281	$64,145	$4,811	**$350,325**	-$5,387	-$70,039	-$132,654	-$183,634	-$220,954	-$247,641	-$269,983	$ **363,403**
Barton	2,159,648	$295,290	$22,147	**$1,842,211**	-$28,328	-$368,308	-$697,571	-$965,653	-$1,161,907	-$1,302,242	-$1,419,730	$ **2,061,436**
Bourbon	1,100,816	$147,760	$11,082	**$941,974**	-$14,485	-$188,326	-$356,688	-$493,765	-$594,116	-$665,873	-$725,947	$ **742,712**
Brown	567,663	$86,117	$6,459	**$475,088**	-$7,306	-$94,983	-$179,896	-$249,032	-$299,644	-$335,835	-$366,134	$ **530,723**
Butler	2,970,240	$427,120	$32,034	**$2,511,086**	-$38,613	-$502,035	-$950,847	-$1,316,264	-$1,583,775	-$1,775,063	-$1,935,209	$ **2,923,417**
Chase	110,769	$16,526	$1,239	**$93,003**	-$1,430	-$18,594	-$35,217	-$48,751	-$58,659	-$65,743	-$71,675	$ **114,686**
Chautauqua	132,872	$16,748	$1,256	**$114,868**	-$1,766	-$22,965	-$43,496	-$60,212	-$72,449	-$81,199	-$88,525	$ **131,143**
Cherokee	1,184,202	$224,156	$16,812	**$943,234**	-$14,504	-$188,578	-$357,165	-$494,426	-$594,910	-$666,763	-$726,918	$ **755,265**
Cheyenne	80,523	$15,729	$1,180	**$63,614**	-$978	-$12,718	-$24,088	-$33,345	-$40,122	-$44,968	-$49,025	$ **118,250**
Clark	123,555	$12,750	$956	**$109,848**	-$1,689	-$21,962	-$41,595	-$57,580	-$69,283	-$77,651	-$84,656	$ **101,524**
Clay	291,663	$38,667	$2,900	**$250,096**	-$3,846	-$50,001	-$94,701	-$131,096	-$157,739	-$176,790	-$192,740	$ **393,002**
Cloud	480,107	$57,559	$4,317	**$418,231**	-$6,431	-$83,616	-$158,367	-$219,229	-$263,784	-$295,644	-$322,317	$ **620,880**
Coffey	257,012	$53,452	$4,009	**$199,551**	-$3,069	-$39,896	-$75,562	-$104,601	-$125,859	-$141,061	-$153,787	$ **440,154**
Comanche	72,142	$8,302	$623	**$63,217**	-$972	-$12,639	-$23,938	-$33,137	-$39,872	-$44,688	-$48,719	$ **108,433**
Cowley	3,406,085	$458,994	$34,425	**$2,912,666**	-$44,789	-$582,321	-$1,102,909	-$1,526,766	-$1,837,058	-$2,058,937	-$2,244,693	$ **1,746,551**
Crawford	2,989,964	$458,058	$34,354	**$2,497,552**	-$38,405	-$499,329	-$945,722	-$1,309,171	-$1,575,240	-$1,765,497	-$1,924,779	$ **2,234,001**
Decatur	110,973	$15,825	$1,187	**$93,961**	-$1,445	-$18,785	-$35,579	-$49,253	-$59,262	-$66,420	-$72,412	$ **122,204**
Dickinson	682,090	$114,411	$8,581	**$559,098**	-$8,597	-$111,779	-$211,708	-$293,069	-$352,630	-$395,221	-$430,878	$ **1,022,866**
Doniphan	615,392	$100,183	$7,514	**$507,695**	-$7,807	-$101,502	-$192,244	-$266,124	-$320,210	-$358,885	-$391,263	$ **300,882**
Douglas	6,690,150	$1,218,184	$91,364	**$5,380,602**	-$82,739	-$1,075,729	-$2,037,417	-$2,820,412	-$3,393,618	-$3,803,498	-$4,146,648	$ **7,038,243**
Edwards	286,020	$37,439	$2,808	**$245,773**	-$3,779	-$49,137	-$93,064	-$128,829	-$155,012	-$173,734	-$189,409	$ **132,789**
Elk	162,804	$21,018	$1,576	**$140,210**	-$2,156	-$28,032	-$53,092	-$73,495	-$88,432	-$99,113	-$108,055	$ **110,811**
Ellis	1,448,812	$259,432	$19,457	**$1,169,923**	-$17,990	-$233,900	-$443,003	-$613,252	-$737,886	-$827,008	-$901,620	$ **2,643,994**
Ellsworth	330,298	$43,221	$3,242	**$283,836**	-$4,365	-$56,747	-$107,477	-$148,781	-$179,019	-$200,641	-$218,743	$ **249,422**
Finney	2,268,592	$406,596	$30,495	**$1,831,502**	-$28,163	-$366,167	-$693,516	-$960,039	-$1,155,153	-$1,294,672	-$1,411,476	$ **2,733,572**
Ford	3,543,189	$448,917	$33,669	**$3,060,603**	-$47,064	-$611,898	-$1,158,927	-$1,604,311	-$1,930,363	-$2,163,512	-$2,358,703	$ **2,173,198**
Franklin	1,102,294	$146,246	$10,968	**$945,079**	-$14,533	-$188,947	-$357,863	-$495,393	-$596,074	-$668,068	-$728,341	$ **1,393,227**
Geary	1,487,908	$208,391	$15,629	**$1,263,887**	-$19,435	-$252,686	-$478,583	-$662,506	-$797,151	-$893,430	-$974,035	$ **1,541,527**
Gove	142,004	$20,901	$1,568	**$119,535**	-$1,838	-$23,898	-$45,263	-$62,658	-$75,393	-$84,498	-$92,122	$ **157,802**
Graham	86,147	$11,189	$839	**$74,119**	-$1,140	-$14,818	-$28,066	-$38,852	-$46,748	-$52,394	-$57,121	$ **168,258**
Grant	307,362	$66,166	$4,962	**$236,234**	-$3,633	-$47,230	-$89,452	-$123,829	-$148,996	-$166,991	-$182,057	$ **561,849**
Gray	216,780	$32,563	$2,442	**$181,775**	-$2,795	-$36,342	-$68,831	-$95,283	-$114,648	-$128,495	-$140,088	$ **241,230**
Greeley	62,243	$8,101	$608	**$53,534**	-$823	-$10,703	-$20,271	-$28,062	-$33,765	-$37,843	-$41,257	$ **70,398**
Greenwood	260,455	$34,752	$2,606	**$223,096**	-$3,431	-$44,603	-$84,478	-$116,943	-$140,710	-$157,705	-$171,933	$ **247,992**
Hamilton	86,419	$13,454	$1,009	**$71,956**	-$1,106	-$14,386	-$27,247	-$37,718	-$45,384	-$50,865	-$55,454	$ **128,084**
Harper	374,442	$42,856	$3,214	**$328,372**	-$5,049	-$65,651	-$124,341	-$172,127	-$207,109	-$232,123	-$253,065	$ **376,157**
Harvey	1,848,530	$284,906	$21,368	**$1,542,256**	-$23,716	-$308,339	-$583,990	-$808,422	-$972,721	-$1,090,206	-$1,188,564	$ **1,810,869**
Haskell	129,065	$29,563	$2,217	**$97,285**	-$1,496	-$19,450	-$36,838	-$50,995	-$61,359	-$68,770	-$74,974	$ **227,717**
Hodgeman	65,852	$8,077	$606	**$57,169**	-$879	-$11,430	-$21,648	-$29,967	-$36,057	-$40,412	-$44,058	$ **63,866**
Jackson	526,547	$75,310	$5,648	**$445,589**	-$6,852	-$89,085	-$168,726	-$233,569	-$281,039	-$314,982	-$343,400	$ **586,556**
Jefferson	647,888	$95,766	$7,182	**$544,940**	-$8,380	-$108,948	-$206,347	-$285,647	-$343,701	-$385,213	-$419,966	$ **550,542**
Jewell	73,952	$9,212	$691	**$64,050**	-$985	-$12,805	-$24,253	-$33,574	-$40,397	-$45,276	-$49,361	$ **102,094**
Johnson	54,198,729	$9,527,229	$714,542	**$43,956,958**	-$675,935	-$8,788,195	-$16,644,728	-$23,041,422	-$27,724,245	-$31,072,768	-$33,876,141	$ **56,231,471**
Kearny	128,360	$31,557	$2,367	**$94,436**	-$1,452	-$18,880	-$35,759	-$49,502	-$59,562	-$66,756	-$72,779	$ **186,118**
Kingman	455,586	$65,916	$4,944	**$384,727**	-$5,916	-$76,917	-$145,680	-$201,667	-$242,652	-$271,960	-$296,496	$ **359,136**
Kiowa	100,319	$15,425	$1,157	**$83,737**	-$1,288	-$16,741	-$31,708	-$43,894	-$52,814	-$59,193	-$64,534	$ **181,776**
Labette	1,539,721	$179,688	$13,477	**$1,346,556**	-$20,706	-$269,213	-$509,886	-$705,840	-$849,291	-$951,868	-$1,037,745	$ **1,059,912**
Lane	107,849	$12,546	$941	**$94,362**	-$1,451	-$18,865	-$35,731	-$49,463	-$59,515	-$66,703	-$72,721	$ **89,546**
Leavenworth	2,758,104	$426,331	$31,975	**$2,299,798**	-$35,364	-$459,792	-$870,841	-$1,205,512	-$1,450,514	-$1,625,706	-$1,772,377	$ **3,030,525**
Lincoln	193,108	$23,612	$1,771	**$167,725**	-$2,579	-$33,533	-$63,511	-$87,918	-$105,787	-$118,563	-$129,260	$ **97,884**
Linn	322,719	$63,007	$4,726	**$254,986**	-$3,921	-$50,979	-$96,553	-$133,659	-$160,823	-$180,247	-$196,509	$ **328,558**

Using Assumption for Statewide Average M/E Tax Reductions, Applied to Each County

County Name	2005 CI/ME Tax	20 mills	1.5 mills	**Others**	avg red 06	avg red 07	avg red 08	avg red 09	avg red 10	avg red 11	avg red 12	**0.5 sales/use**
Logan	115,398	$14,899	$1,117	**$99,381**	-$1,528	-$19,869	-$37,632	-$52,094	-$62,681	-$70,252	-$76,590	**$ 146,874**
Lyon	2,542,487	$346,874	$26,016	**$2,169,598**	-$33,362	-$433,762	-$821,539	-$1,137,263	-$1,368,395	-$1,533,669	-$1,672,036	**$ 2,120,122**
Marion	497,152	$66,983	$5,024	**$425,145**	-$6,538	-$84,998	-$160,985	-$222,853	-$268,145	-$300,531	-$327,645	**$ 462,197**
Marshall	921,890	$134,211	$10,066	**$777,613**	-$11,958	-$155,466	-$294,451	-$407,610	-$490,451	-$549,688	-$599,280	**$ 617,791**
McPherson	4,082,335	$714,164	$53,562	**$3,314,609**	-$50,969	-$662,681	-$1,255,109	-$1,737,457	-$2,090,569	-$2,343,067	-$2,554,457	**$ 1,979,265**
Meade	97,803	$14,328	$1,075	**$82,401**	-$1,267	-$16,474	-$31,202	-$43,193	-$51,971	-$58,248	-$63,503	**$ 200,289**
Miami	1,104,786	$186,830	$14,012	**$903,944**	-$13,900	-$180,723	-$342,287	-$473,830	-$570,129	-$638,989	-$696,639	**$ 1,598,798**
Mitchell	470,942	$62,880	$4,716	**$403,346**	-$6,202	-$80,640	-$152,731	-$211,427	-$254,396	-$285,122	-$310,845	**$ 395,178**
Montgomery	4,196,971	$583,908	$43,793	**$3,569,270**	-$54,885	-$713,594	-$1,351,539	-$1,870,945	-$2,251,187	-$2,523,084	-$2,750,716	**$ 2,181,254**
Morris	244,699	$35,819	$2,686	**$206,193**	-$3,171	-$41,224	-$78,077	-$108,083	-$130,049	-$145,756	-$158,906	**$ 253,012**
Morton	171,587	$32,320	$2,424	**$136,843**	-$2,104	-$27,359	-$51,817	-$71,730	-$86,308	-$96,733	-$105,460	**$ 253,911**
Nemaha	688,862	$111,693	$8,377	**$568,792**	-$8,746	-$113,717	-$215,379	-$298,150	-$358,745	-$402,074	-$438,349	**$ 499,798**
Neosho	1,663,667	$194,226	$14,567	**$1,454,874**	-$22,372	-$290,869	-$550,902	-$762,618	-$917,609	-$1,028,437	-$1,121,222	**$ 1,144,222**
Ness	91,979	$13,333	$1,000	**$77,646**	-$1,194	-$15,524	-$29,401	-$40,701	-$48,972	-$54,887	-$59,839	**$ 240,384**
Norton	282,170	$38,918	$2,919	**$240,334**	-$3,696	-$48,049	-$91,005	-$125,978	-$151,582	-$169,890	-$185,217	**$ 286,679**
Osage	465,395	$77,150	$5,786	**$382,458**	-$5,881	-$76,464	-$144,822	-$200,478	-$241,222	-$270,356	-$294,748	**$ 512,509**
Osborne	231,065	$24,886	$1,866	**$204,312**	-$3,142	-$40,848	-$77,365	-$107,097	-$128,862	-$144,426	-$157,456	**$ 185,502**
Ottawa	169,708	$22,656	$1,699	**$145,353**	-$2,235	-$29,060	-$55,039	-$76,191	-$91,676	-$102,748	-$112,018	**$ 169,649**
Pawnee	207,664	$24,975	$1,873	**$180,816**	-$2,780	-$36,150	-$68,468	-$94,781	-$114,043	-$127,817	-$139,349	**$ 281,276**
Phillips	368,210	$48,220	$3,617	**$316,373**	-$4,865	-$63,252	-$119,798	-$165,837	-$199,541	-$223,641	-$243,818	**$ 294,345**
Pottawatomie	1,150,296	$225,570	$16,918	**$907,808**	-$13,960	-$181,496	-$343,750	-$475,856	-$572,567	-$641,721	-$699,617	**$ 1,858,024**
Pratt	720,319	$82,375	$6,178	**$631,766**	-$9,715	-$126,307	-$239,224	-$331,160	-$398,464	-$446,590	-$486,881	**$ 760,407**
Rawlins	79,793	$9,547	$716	**$69,530**	-$1,069	-$13,901	-$26,328	-$36,446	-$43,853	-$49,150	-$53,584	**$ 114,164**
Reno	5,757,564	$771,355	$57,852	**$4,928,358**	-$75,784	-$985,313	-$1,866,170	-$2,583,354	-$3,108,382	-$3,483,811	-$3,798,119	**$ 4,408,300**
Republic	223,570	$25,054	$1,879	**$196,637**	-$3,024	-$39,313	-$74,458	-$103,073	-$124,021	-$139,001	-$151,541	**$ 225,437**
Rice	608,783	$84,318	$6,324	**$518,141**	-$7,968	-$103,590	-$196,199	-$271,600	-$326,798	-$366,269	-$399,314	**$ 411,857**
Riley	1,984,898	$362,032	$27,152	**$1,595,714**	-$24,538	-$319,027	-$604,232	-$836,443	-$1,006,438	-$1,127,995	-$1,229,762	**$ 3,251,892**
Rooks	193,175	$24,344	$1,826	**$167,005**	-$2,568	-$33,389	-$63,238	-$87,541	-$105,332	-$118,054	-$128,705	**$ 291,248**
Rush	304,708	$42,902	$3,218	**$258,589**	-$3,976	-$51,699	-$97,917	-$135,547	-$163,095	-$182,794	-$199,286	**$ 114,019**
Russell	464,310	$51,261	$3,845	**$409,204**	-$6,292	-$81,811	-$154,949	-$214,497	-$258,090	-$289,263	-$315,360	**$ 415,987**
Saline	5,363,289	$1,038,526	$77,889	**$4,246,873**	-$65,305	-$849,066	-$1,608,120	-$2,226,132	-$2,678,560	-$3,002,076	-$3,272,922	**$ 4,746,242**
Scott	170,665	$24,089	$1,807	**$144,769**	-$2,226	-$28,943	-$54,818	-$75,885	-$91,308	-$102,336	-$111,569	**$ 304,021**
Sedgwick	41,596,428	$7,350,483	$551,286	**$33,694,659**	-$518,130	-$6,736,482	-$12,758,809	-$17,662,115	-$21,251,675	-$23,818,444	-$25,967,335	**$ 37,572,134**
Seward	1,451,093	$205,968	$15,448	**$1,229,677**	-$18,909	-$245,846	-$465,629	-$644,574	-$775,574	-$869,248	-$947,671	**$ 1,869,174**
Shawnee	17,488,053	$2,570,246	$192,768	**$14,725,038**	-$226,430	-$2,943,937	-$5,575,778	-$7,718,592	-$9,287,280	-$10,408,994	-$11,348,089	**$ 13,526,581**
Sheridan	80,316	$12,162	$912	**$67,242**	-$1,034	-$13,443	-$25,462	-$35,247	-$42,410	-$47,532	-$51,821	**$ 115,914**
Sherman	388,843	$61,960	$4,647	**$322,236**	-$4,955	-$64,424	-$122,018	-$168,910	-$203,239	-$227,786	-$248,337	**$ 494,524**
Smith	164,454	$15,570	$1,168	**$147,716**	-$2,271	-$29,532	-$55,934	-$77,430	-$93,166	-$104,419	-$113,840	**$ 175,163**
Stafford	140,154	$17,610	$1,321	**$121,224**	-$1,864	-$24,236	-$45,903	-$63,543	-$76,457	-$85,692	-$93,423	**$ 177,914**
Stanton	73,094	$13,706	$1,028	**$58,360**	-$897	-$11,668	-$22,099	-$30,591	-$36,809	-$41,254	-$44,976	**$ 109,642**
Stevens	214,327	$52,616	$3,946	**$157,765**	-$2,426	-$31,542	-$59,739	-$82,698	-$99,505	-$111,523	-$121,584	**$ 305,899**
Sumner	1,721,475	$204,160	$15,312	**$1,502,003**	-$23,097	-$300,291	-$568,748	-$787,322	-$947,334	-$1,061,752	-$1,157,543	**$ 890,888**
Thomas	622,783	$88,403	$6,630	**$527,750**	-$8,115	-$105,512	-$199,838	-$276,637	-$332,859	-$373,062	-$406,719	**$ 662,968**
Trego	128,958	$16,030	$1,202	**$111,726**	-$1,718	-$22,337	-$42,306	-$58,565	-$70,467	-$78,978	-$86,103	**$ 176,171**
Wabaunsee	373,308	$55,048	$4,129	**$314,131**	-$4,830	-$62,803	-$118,949	-$164,662	-$198,127	-$222,056	-$242,090	**$ 183,705**
Wallace	46,793	$6,438	$483	**$39,873**	-$613	-$7,972	-$15,098	-$20,901	-$25,148	-$28,186	-$30,729	**$ 79,225**
Washington	166,209	$20,390	$1,529	**$144,290**	-$2,219	-$28,848	-$54,637	-$75,634	-$91,006	-$101,997	-$111,199	**$ 218,833**
Wichita	198,335	$26,621	$1,997	**$169,718**	-$2,610	-$33,931	-$64,265	-$88,963	-$107,043	-$119,972	-$130,796	**$ 113,647**
Wilson	842,626	$133,861	$10,040	**$698,725**	-$10,744	-$139,694	-$264,579	-$366,259	-$440,695	-$493,922	-$538,484	**$ 410,061**
Woodson	126,734	$16,563	$1,242	**$108,929**	-$1,675	-$21,778	-$41,247	-$57,099	-$68,703	-$77,001	-$83,948	**$ 110,151**
Wyandotte	29,902,930	$3,622,272	$271,670	**$26,008,987**	-$399,945	-$5,199,906	-$9,848,555	-$13,633,428	-$16,404,218	-$18,385,513	-$20,044,247	**$ 10,208,684**
Totals	234,154,821	$36,899,947	$2,767,496	**$194,487,378**	-$2,990,671	-$38,883,334	-$73,644,531	-$101,946,674	-$122,665,806	-$137,481,335	-$149,884,847	**$ 199,742,841**

Proposed language to amend HB 2619, to provide a temporary property tax credit on digital broadcast equipment purchased before July 1, 2006. . . assuming the M & E exemption in HB 2619 remains applicable to acquisitions after June 30, 2006.

This language was taken from HB 2618 and includes only the sections of the bill pertaining to a credit for digital equipment purchased prior to July 1, 2006. The provision of HB 2619 which exempts all commercial and industrial machinery and equipment acquired after June 30, 2006, would include the acquisition of digital broadcast equipment.

New Sec. __ (a) Television broadcasters shall receive a credit from the county treasurer of the county in which digital television equipment is located, to apply only towards payment of the broadcaster's personal property taxes, in an amount equal to the broadcaster's personal property taxes on digital television equipment acquired prior to July 1, 2006, multiplied by one minus the digital television fraction. The digital television fraction shall be a fraction the numerator of which is the total number of digital television sets in the United States and the denominator of which is an amount representing the total television sets in the United States as of the assessment date. The digital television fraction will be determined on an annual basis based upon sales data reported by the consumer electronics association or other national organization acceptable to the department of revenue. The Kansas association of broadcasters shall provide, by July 1 of each year, to the department an estimate of the digital television fraction as of the preceding January 1. The department shall communicate such estimate to each county appraiser. The credit shall not be applicable to years after the federal communications commission has ended the broadcast of analog television signals by all full power commercial television stations in Kansas.

(b) As used in this section, "digital television equipment" means all items of tangible personal property that are used directly or indirectly in broadcasting television shows or commercials through the use of digital technology including studio broadcast equipment, transmitter and antenna equipment and broadcast towers.

New Sec. __ (a) Radio broadcasters shall receive a credit from the county treasurer of the county in which digital radio equipment is located, to apply only towards payment of the radio broadcaster's personal property taxes in an amount equal to the personal property taxes on the radio broadcaster's digital radio equipment acquired prior to July 1, 2006 multiplied by one minus the digital radio fraction. The digital radio fraction shall be a fraction, the numerator of which is the total number of digital radio sets in the United States and the denominator of which is an amount representing the total radio sets in the United States as of the assessment date. The digital radio fraction shall be determined on an annual basis based upon sales data reported by the consumer electronics association or other national organization acceptable to the department of revenue. The Kansas association of broadcasters shall provide, by July 1 of each year, to the department an estimate of the digital radio fraction as of the preceding January 1. The department shall communicate such estimate to each county appraiser. The credit shall not be applicable to years after December 31, 2013 or until more than 50% of the radio sets in the United States are capable of receiving the digital radio signal, whichever comes first.

(b) As used in this section, "digital radio equipment" means all items of tangible personal property that are used directly or indirectly in broadcasting radio shows or commercials through the use of digital technology including studio broadcast equipment, transmitter and antenna equipment and broadcast towers.