

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Vice-Chairman Richard Carlson at 9:05 A.M. on January 30, 2007 in Room 519-S of the Capitol.

All members were present.

Committee staff present:

Chris Courtwright, Legislative Research Department
Martha Dorsey, Legislative Research Department
Gordon Self, Office of Revisor of Statutes
Richard Cram, Department of Revenue
Rose Marie Glatt, Committee Secretary

Conferees appearing before the committee:

Representative Bill Wolf
John Federico, The Home Builders Association of Greater Kansas City
Representative Tom Holland
Representative Arlen Siegfroid
Art Hall, Executive Director, Center for Applied Economics, KU School of Business

Others attending:

See attached list.

The Vice-Chair called for bill introductions.

Representative Wolf requested a bill introduction for an exemption for the Golden Belt Community Concert Association in Great Bend, KS. Representative Dillmore moved the introduction. Representative Owens seconded. The motion carried.

John Federico, The Home Builders Association of Greater Kansas City, requested a bill introduction related to an inventory tax bill. Representative Owens moved the introduction, seconded by Representative Whitham. The motion carried.

Representative Holland requested a bill introduction for a tax credit for organ donors to offset the procedural costs. Representative Siegfroid moved the introduction, seconded by Representative Menghini. The motion carried.

Representative Holland requested a bill introduction for Riley County to establish that a portion of the sales tax collection would be dedicated to road, bridges and infrastructure needs. Representative Owens moved the introduction. Representative Whitham seconded. The motion carried.

Representative Holland requested a bill introduction that would change statute language regarding uniformity standards of appraisal practices and procedures. Representative Owens moved the introduction and seconded by Representative Rardin. The motion carried.

Representative Siegfroid requested a bill introduction that would reduce the 20 mill school levy to 16 by school year 2008-09. Representative Owens moved the introduction, seconded by Representative Peck. The motion carried.

It was noted that the minutes from January 9, 11, 17, and 18, 2007 were sent electronically to the committee on January 22 and, by consensus, approved on January 29, 2007.

The Chairman introduced Dr. Art Hall, from the Center for Applied Economics, School of Business, University of Kansas. Dr. Art Hall briefed the Committee on two research reports completed by the Center for Applied Economics for Kansas Inc.

CONTINUATION SHEET

MINUTES OF THE House Taxation Committee at 9:00 A.M. on January 30, 2007 in Room 519-S of the Capitol.

Economic Perspectives on the Kansas Property Tax

Dr. Hall said this report provides a history lesson, and, in his opinion, the important lesson is the property tax reforms initiated in 1985 caused serious damage to the Kansas economy (Attachment 1). The legacy of those reforms continues today and probably is an impediment to growth. He explained the legislation that passed in 1985 mandated the re-evaluation of all property. Associated with that legislation was the introduction of a constitutional amendment, which for the first time in Kansas history, assessed different classes of property at different rates. Those reforms, made in 1985, and the new classification system, became effective January 1989. Based on tax policy research in other areas, when these major reforms became effective, businesses essentially froze investment until they could see the final outcome.

The final outcome was dramatic and he explained various charts and tables that traced results from 1970 to 2005. He concluded by offering 4 key points:

- For businesses, Wichita is a relatively high property tax locality among large cities. But Wichita is a relatively low property tax locality in Kansas.
- Tax on tangible property funds about 75% of local government activity. On a per capita basis, Kansas has the third largest local government sector (employment) among the states.
- Under current law, businesses property tax liabilities (value-for-value and locality-by-locality) exceed homestead liabilities by a minimum of 117 percent.
- Do businesses receive more than twice the value from local government services as residences do? A misalignment of costs and benefits creates a poor business operating environment.

A philosophical discussion followed regarding other possible tax strategies for Kansas.

County-to-County Migration Patterns of Kansas Taxpayers

Dr. Hall said this report focused on individual taxpayers and shows migration patterns in Kansas from 1985 - 2005. He said it was fascinating to see just how dynamic the population is in Kansas, as well as across the United States. He gave statistics based on migration patterns of Kansas taxpayers which included: Table 1 - Taxpayer migration statistics; Table 2 - Migration-Related adjusted gross income (1996 - 2004); Table 3 - Migration-Related adjusted gross income per taxpayer (1996-2004); Table 4 - Migration of Kansas taxpayers and adjusted gross income (1996-2004) for Inter-state, Intra-state and Net Flow, per county; and Table 5 and 6 - Top-10 Out-of-state origins and destinations for Kansas taxpayers, 1985-2004 & 1996-2004. He suggested that there are many people moving into the state and Kansas should concentrate on how to retain them (Attachment 2). He advised the committee that on their website there was additional information on each county for their perusal.

Chairman Wilk thanked Dr. Hall for his presentation.

The meeting was adjourned at 10:30 a.m. The next meeting is January 31, 2007.

TAXATION COMMITTEE

DATE: January 30, 2007

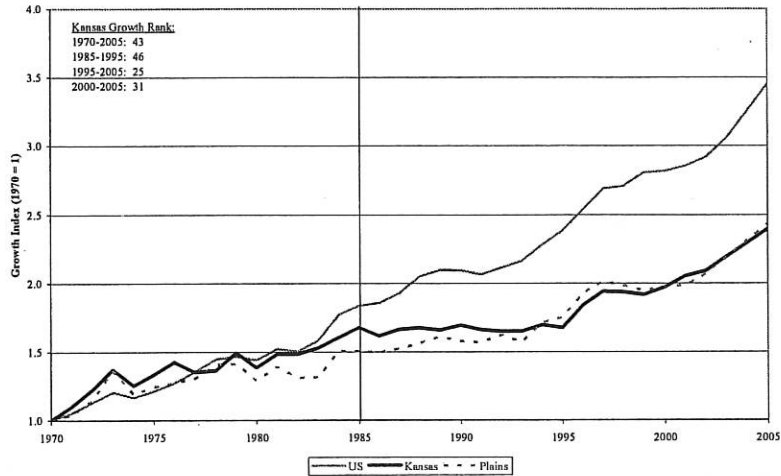
NAME	REPRESENTING
Ron Gaches	GBBA
Ed Gray	KDOC
RONALD RICHEY	ME
Jim Maag	Spirit AeroSystems
Erik SARTORIUS	City of Overland Park
Michelle Peterson	Capitol Strategies
Tony A. Scott	KSCPA
Sheila # Prucha	KACCT
Derck Hahn	Hain Law Firm
Matt Bryant	Carter Group
Luke Bell	KS Assoc. of REALTORS
Dan Korber	Kansas, Inc
Ben Cleaves	DOE
MARK BECK	KDOR
Roger Hamm	KDOR
Bruce Jarber	KDOR

Economic Perspectives on the Kansas Property Tax

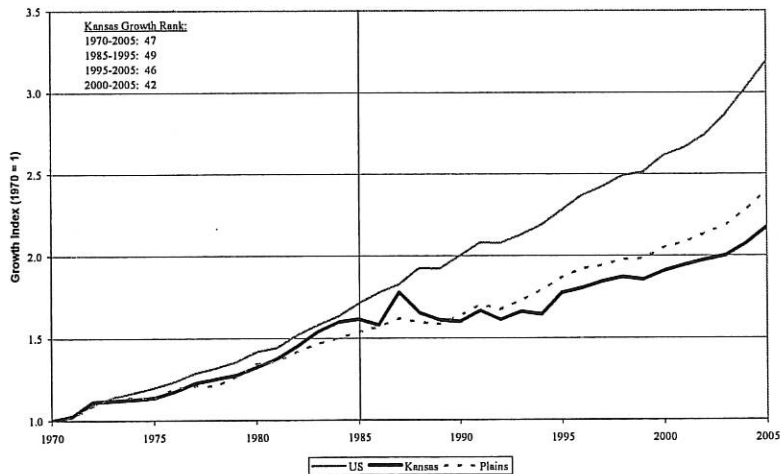
Presentation to the House Committee on Taxation, January 30, 2007

Art Hall, Executive Director, Center for Applied Economics, KU School of Business
(cae.business.ku.edu)

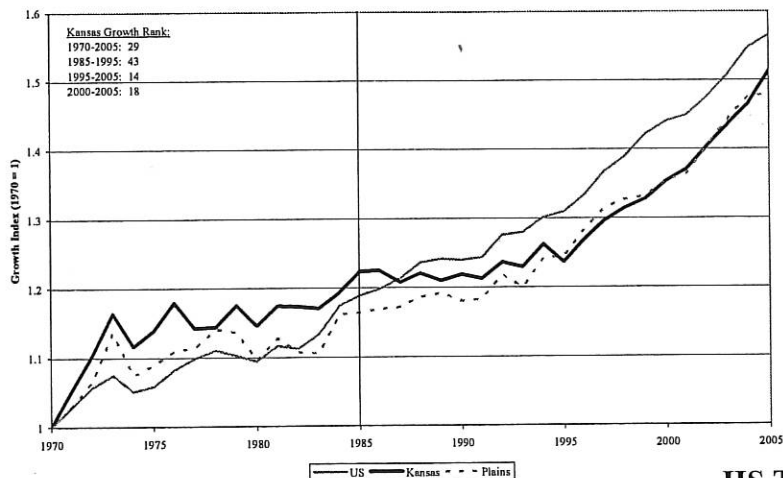
Inflation-Adjusted Gross Business Profits, 1970-2005



Small Business Formation, 1970-2005

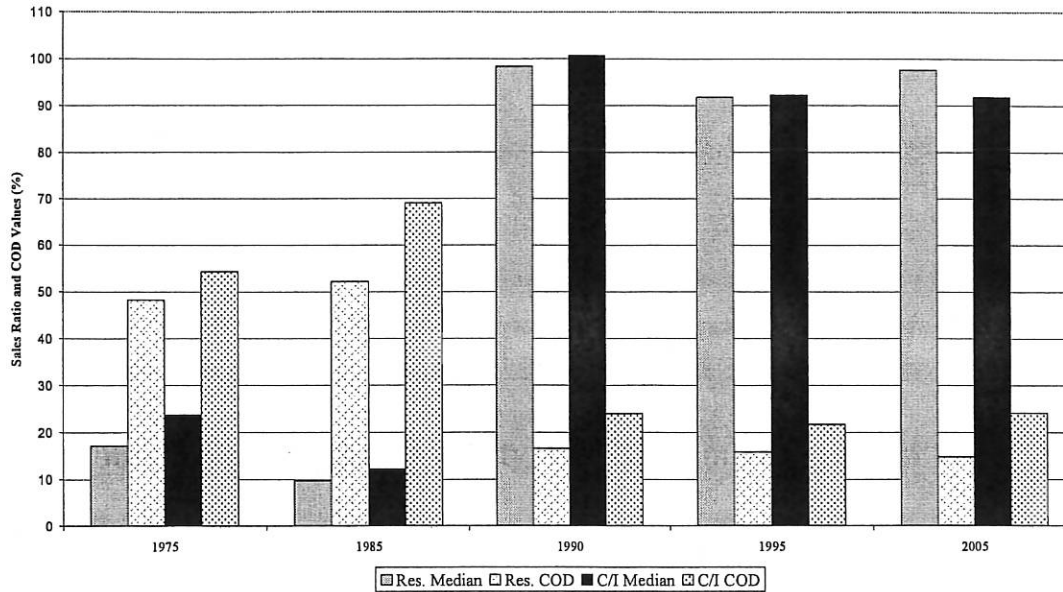


Inflation-Adjusted Labor Productivity, 1970-2005



Understanding the Property Tax Reform Initiated in 1985

Median Sales Ratios & Coefficients of Dispersion (Averages for 118 Kansas Localities)



- Before reform, the law assessed all property types assessed at 30% of “true market value.”
- Poor administration of the property tax created political pressure for reform:
 - The chart (Res. Median & C/I Median) shows that appraisers were valuing properties significantly (about 80%) below “true market value.”
 - The poor consistency of appraisals (Res. COD & C/I COD) indicated that Kansans with similar properties could experience appraisals with a 50% to 70% differential, a violation of the Constitutions “uniform and equal” requirement.
- Legislation passed in 1985 mandated a reappraisal of all property.
- A Constitutional amendment, passed in 1986, mandated for the first time in Kansas history a classification of property that assessed different property types at different rates.
- The revaluation and reclassification took effect in 1989.

New Assessment Rates Effective January 1989:

- Single- and multi-family residential property: 12%
- Real commercial and industrial property: 30%
- Commercial and industrial machinery and equipment: 20%
- Merchant’s and manufacturer’s inventories: Exempt

New Assessment Rates Effective January 1993 (1992 Constitutional Amendment):

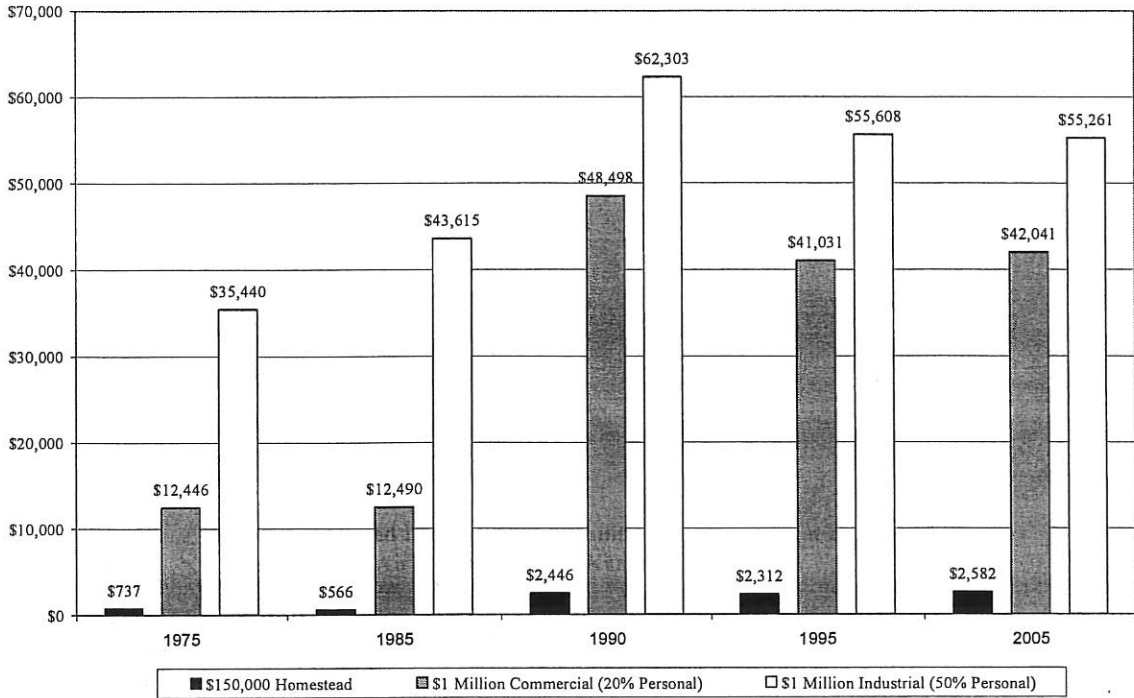
- Single- and multi-family residential property: 11.5%
- Real commercial and industrial property: 25%
- Commercial and industrial machinery and equipment: 25%

1997—Homestead exemption for state school mills (20 mills)

1998—Refundable income tax credit for machinery and equipment

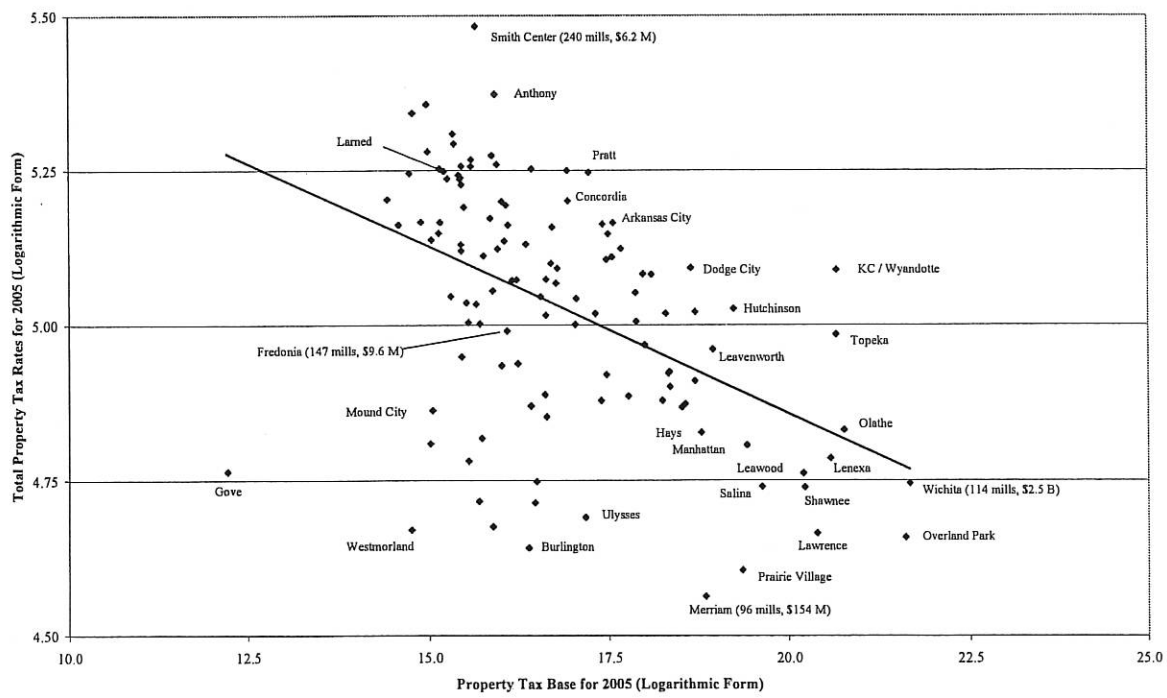
2006—Exempt newly-acquired machinery and equipment

**Inflation-Adjusted Property Tax Liabilities on Hypothetical Properties
(An Average for 118 Kansas Localities)**



- Almost every locality experienced major property tax liability increases on homesteads, commercial, and industrial property.
- Johnson County localities offer an exception; many experienced decreased liabilities on industrial properties in 1990 relative to 1985.
- Averages are instructive, but also misleading; there's enormous variation among localities.

Mill Rates and Assessed Property Value for 2005 (118 Kansas Localities)



A Regional Comparison with Ranks among the Largest City in Each State, 2005

Property Type	Wichita, Kansas		Kansas City, Missouri		Oklahoma City, Oklahoma		Denver, Colorado		Omaha, Nebraska	
	Rank	Tax Liability	Rank	Tax Liability	Rank	Tax Liability	Rank	Tax Liability	Rank	Tax Liability
Median-Valued Homestead in Locality*	50	1,268	30	2,284	48	1,277	49	1,273	20	2,832
\$150,000 Homestead	28	1,808	20	2,180	34	1,688	50	769	8	3,094
\$300,000 Homestead	33	3,662	22	4,361	34	3,485	52	1,538	9	6,187
\$600,000 Apartment Complex (5% Personal)	35	8,221	32	9,513	38	7,645	52	3,605	1	13,130
\$100,000 Commercial (20% Personal)	14	3,223	11	3,399	43	1,503	27	2,166	23	2,510
\$1,000,000 Commercial (20% Personal)	15	32,230	12	33,993	43	15,028	28	21,665	23	25,105
\$25,000,000 Commercial (20% Personal)	15	805,756	12	849,814	43	375,705	29	541,621	23	627,619
\$100,000 Industrial (50% Personal)	10	4,357	8	4,454	31	2,723	24	2,951	24	3,370
\$1,000,000 Industrial (50% Personal)	11	43,569	9	44,538	33	27,225	26	29,509	21	33,696
\$25,000,000 Industrial (50% Personal)	11	1,089,224	9	1,113,444	33	680,625	26	737,725	22	842,410
Ratio Measures (using effective tax rates):**		Ratio		Ratio		Ratio		Ratio		Ratio
\$1M Commercial to Median-Value Homestead	11	2.227	16	1.976	38	1.085	3	3.497	45	1.009
\$1M Commercial to \$150,000-Value Homestead	12	2.203	16	1.976	39	1.065	4	3.497	46	1.009

Important Note: The rankings for Wichita do not include the refundable 20% income tax credit for machinery and equipment property taxes available through Kansas law.

* Median homestead values are reported as: Wichita—\$106,300; Kansas City—\$157,100; Oklahoma City—\$115,700; Denver—\$248,400; Omaha—\$137,300.

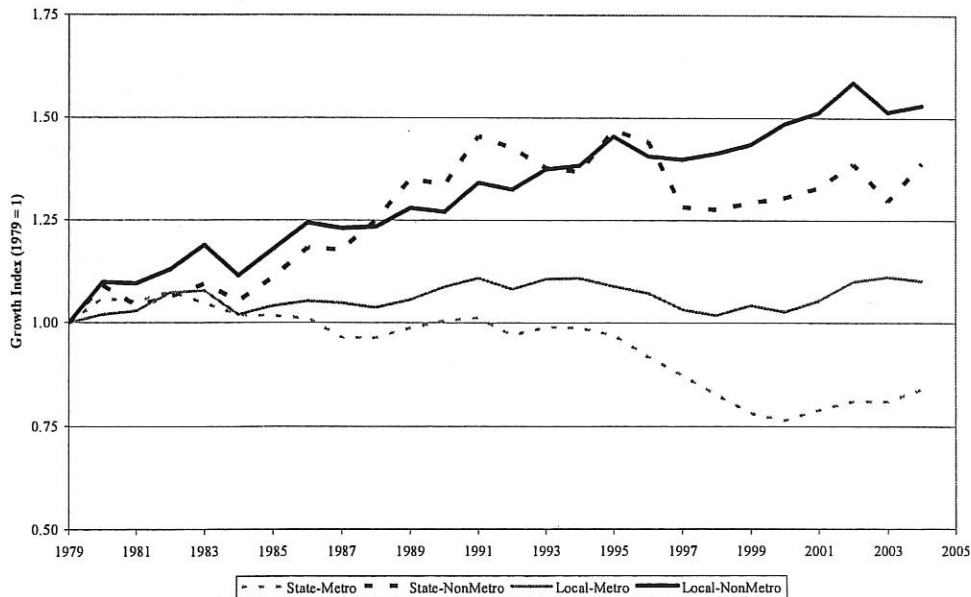
** Real property only.

Source: National Taxpayers Conference, "50-State Property Tax Comparison Study: Payable Year 2005," April 2006

Key Points and Closing Thoughts

- For businesses, Wichita is a relatively high property tax locality among large cities. But Wichita is a relatively low property tax locality in Kansas.
- Tax on tangible property funds about 75% of local government activity. On a per capita basis, Kansas has the third largest local government sector (employment) among the states.
- Under current law, businesses property tax liabilities (value-for-value and locality-by-locality) exceed homestead liabilities by a minimum of 117 percent.
- Do businesses receive more than twice the value from local government services as residences do? A misalignment of costs and benefits creates a poor business operating environment.

State and Local Government Payroll as a Share of Total Payroll



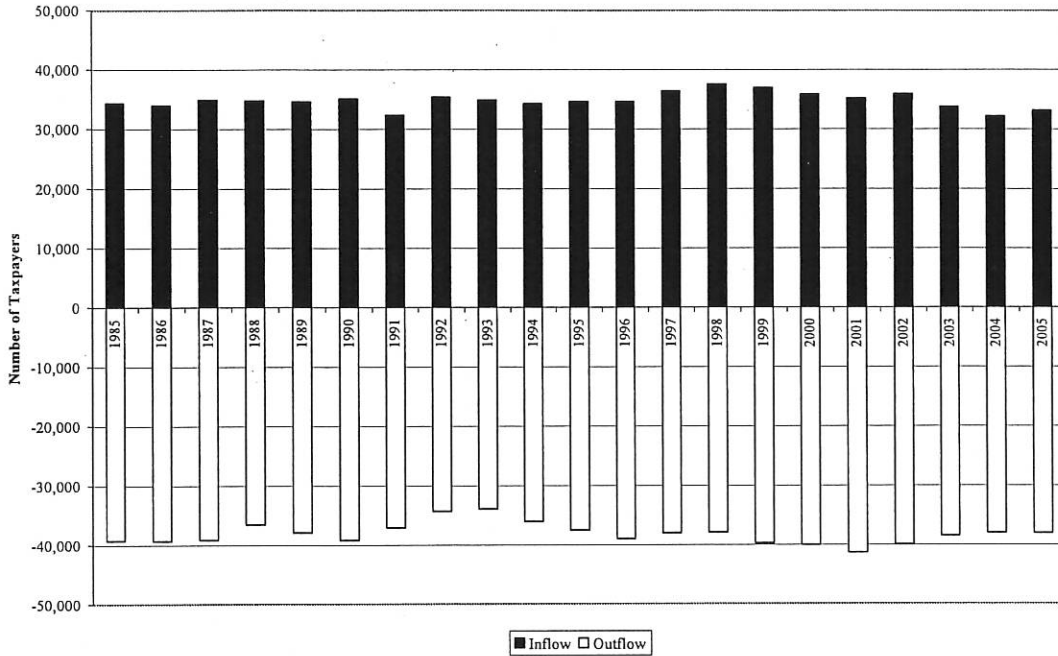
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County-to-County Migration Patterns of Kansas Taxpayers

Presentation to the House Committee on Taxation, January 30, 2007

Art Hall, Executive Director, Center for Applied Economics, KU School of Business
(cae.business.ku.edu)

Inter-State Migration of Kansas Taxpayers, 1985-2005



Net Inter-State Migration of Kansas Taxpayers, 1985-2005

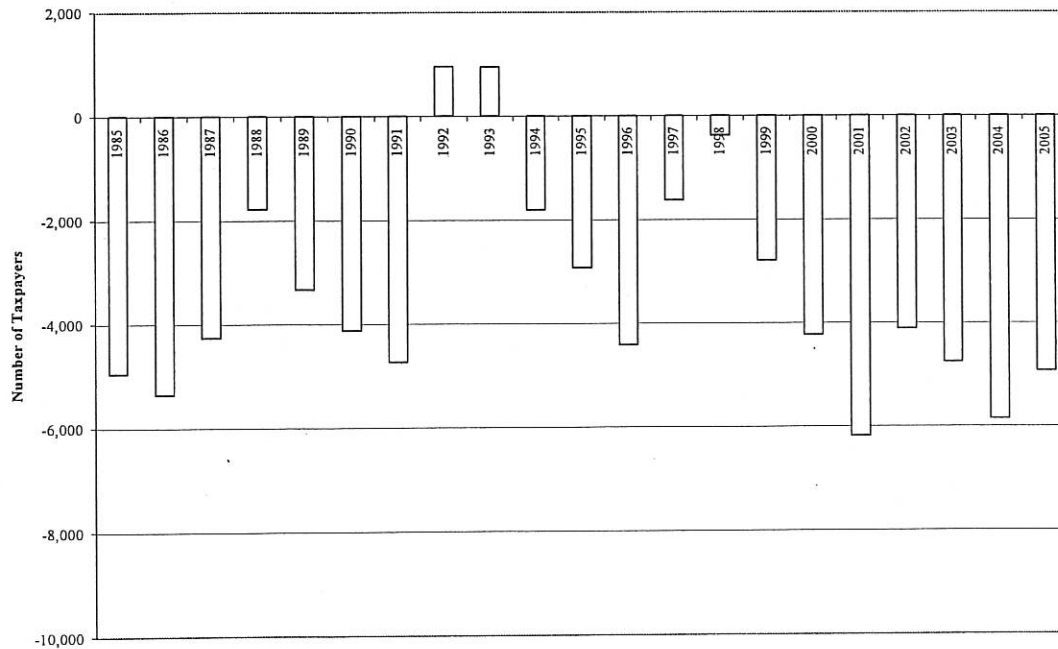


Table 1: State of Kansas						
Taxpayer Migration Statistics						
Filing/Calendar Years 1985 to 2004						
Year	Non-Migrant Taxpayers	Intra-State Churn	Inter-State Taxpayer Inflow	Inter-State Taxpayer Outflow	Inter-State Taxpayer Net-Flow	Change in Total KS Taxpayers
1985	800,244	30,902	34,848	-40,490	-5,642	--
1986	815,718	29,132	34,229	-39,984	-5,755	7,949
1987	832,308	29,324	35,196	-39,460	-4,264	12,518
1988	840,556	29,421	34,882	-36,974	-2,092	6,253
1989	861,596	31,900	34,471	-38,366	-3,895	19,624
1990*	875,515	32,552	35,443	-39,677	-4,234	10,337
1991*	820,843	30,732	32,720	-37,357	-4,637	-61,129
1992	831,408	31,496	35,544	-34,798	746	12,075
1993	829,265	34,189	35,248	-34,320	928	1,478
1994	827,921	33,083	34,458	-36,417	-1,959	-4,409
1995	831,303	33,012	34,998	-38,013	-3,015	296
1996	840,688	31,835	34,624	-39,041	-4,417	3,791
1997	850,942	32,056	36,380	-38,009	-1,629	8,846
1998	859,780	32,928	37,566	-37,949	-383	9,327
1999	875,197	34,304	36,975	-39,766	-2,791	14,002
2000	891,462	34,617	35,834	-40,071	-4,237	12,341
2001*	897,815	34,762	35,151	-41,342	-6,191	307
2002	905,161	35,700	35,906	-40,018	-4,112	4,172
2003	911,229	34,549	33,747	-38,501	-4,754	163
2004	911,295	34,303	32,171	-38,025	-5,854	-6,034
2005	914,558	34,475	33,153	-38,086	-4,933	-1,498
Total	--	685,272	733,544	-806,664	-73,120	50,409

Note: An asterisk (*) on Filing/Calendar Year denotes a recessionary quarter(s).
Source: U.S. Internal Revenue Service, Statistics of Income Division; authors' calculations.

Key Points for Table 1:

- A “taxpayer” is defined as a tax filer with the U.S. Internal Revenue Service.
- About 11 percent of Kansas taxpayers cross state or county borders each year.
- Over the 1985-2005 time period:
 - An average of 32,600 taxpayers per year move from one Kansas county to another
 - An average of 34,900 taxpayers per year move into Kansas from another state
 - An average of 38,400 taxpayers per year move from Kansas to another state
 - In total, a net of 73,120 taxpayers have migrated out of Kansas
 - The internal growth of taxpayers in Kansas has exceeded the net out-migration such that Kansas has added 50,409 taxpayers
- The number of taxpayers can change as the result of four general factors: (1) in-state economic factors, like internal population growth and the labor force participation rate; (2) in-state social factors, like the divorce rate and the level of voluntary compliance with reporting requirements; (3) net inter-state migration; and (4) changes in law or public policy that either mandate or motivate non-filers to become filers, like federal welfare reform and the earned income tax credit.

2-2

Year	Non-Migrant AGI	Intra-State AGI Churn	Inter-State AGI Inflow	Inter-State AGI Outflow	Inter-State AGI Net-Flow	Change in Total AGI
1996	\$33,227,289	\$817,120	\$1,176,731	-\$1,307,913	-\$131,182	--
1997	35,479,777	858,589	1,253,379	-1,378,195	-124,816	\$2,169,141
1998	38,068,593	932,435	1,409,736	-1,454,821	-45,085	2,617,577
1999	40,768,141	1,043,224	1,401,482	-1,632,033	-230,551	2,579,786
2000	43,684,499	1,060,124	1,500,563	-1,715,222	-214,659	2,718,599
2001*	45,908,424	1,073,205	1,445,305	-1,901,434	-456,129	1,780,877
2002	44,777,773	1,111,021	1,482,655	-1,715,342	-232,687	-1,325,522
2003	44,351,865	1,032,196	1,328,491	-1,642,662	-314,171	-818,904
2004	45,019,601	1,067,674	1,310,852	-1,538,587	-227,735	475,479
2005	47,636,022	1,091,476	1,441,882	-1,611,846	-169,964	2,470,259
Total	\$418,921,984	\$10,087,064	\$13,751,076	-\$15,898,055	-\$2,146,979	\$12,667,292

Note: An asterisk (*) on Filing/Calendar Year denotes a recessionary quarter(s).
Source: U.S. Internal Revenue Service, Statistics of Income Division; authors' calculations.

Key Points for Table 2:

- The IRS included data for adjusted gross income (AGI) beginning in 1996:
- Kansas loses an average of about \$215 million each year to net out-migration.
- Internal growth of AGI significantly exceeds the loss to net out-migration.

Year	Average Non-Migrant AGI	Average Intra-State Churn AGI	Average Inter-State AGI Inflow	Average Inter-State AGI Outflow	Average AGI Net-Flow
1996	\$39,524	\$25,667	\$33,986	\$33,501	\$485
1997	41,695	26,784	34,452	36,260	-1,807
1998	44,277	28,317	37,527	38,336	-809
1999	46,582	30,411	37,904	41,041	-3,137
2000	49,003	30,624	41,875	42,805	-929
2001*	51,134	30,873	41,117	45,993	-4,876
2002	49,469	31,121	41,293	42,864	-1,572
2003	48,673	29,876	39,366	42,665	-3,299
2004	49,402	31,125	40,746	40,463	284
2005	52,086	31,660	43,492	42,321	1,171

Note: An asterisk (*) on Filing/Calendar Year denotes a recessionary quarter(s).
Source: U.S. Internal Revenue Service, Statistics of Income Division; authors' calculations.

Key Points for Table 3:

- Non-migrant taxpayers tended to have higher incomes than migrant taxpayers.
- Intra-state migrants tended to have lower incomes than inter-state migrants.
- Inter-state out-migrants tended to have higher incomes than inter-state in-migrants.

Table 4: Migration of Kansas Taxpayers and Adjusted Gross Income (AGI), 1996-2004

AGI Figures are in Thousands and Inflation-Adjusted to 2006 Dollars

	Inter-State			Intra-State			Net Flow		
	Inflow	Outflow	Net AGI	Inflow	Outflow	Net AGI	Taxpayers	Exemptions	Net AGI
Kansas	318,354	-352,722	-\$2,232,173	n.a.	n.a.	\$ n.a.	-34,368	-56,564	-\$2,232,173
Allen	901	-1,051	-5,953	1,935	-2,209	-5,685	-424	-583	-11,638
Anderson	505	-540	964	1,345	-1,417	2,891	-107	255	3,856
Atchison	1,490	-1,613	-5,008	1,521	-1,588	-2,912	-190	65	-7,920
Barber	428	-505	-1,296	497	-699	-4,425	-279	-360	-5,722
Barton	1,586	-2,246	-22,557	2,988	-3,953	-32,494	-1,625	-2,775	-55,050
Bourbon	1,517	-1,715	-4,156	1,608	-1,713	-885	-303	-140	-5,042
Brown	962	-1,093	-6,316	1,210	-1,509	-11,843	-430	-527	-18,159
Butler	3,813	-4,229	-29,269	10,519	-9,839	115,787	264	3,908	86,519
Chase	187	-174	1,975	523	-618	-3,201	-82	-9	-1,226
Chautauqua	466	-475	2,276	701	-723	4,706	-31	77	6,983
Cherokee	2,933	-3,402	-35,140	1,431	-1,544	-962	-582	-899	-36,102
Cheyenne	360	-330	66	213	-337	-3,599	-94	-64	-3,534
Clark	196	-237	-1,642	361	-407	-2,394	-87	-99	-4,036
Clay	698	-791	-4,390	1,236	-1,431	-3,389	-288	-196	-7,779
Cloud	637	-754	-5,557	1,408	-1,748	-11,144	-457	-667	-16,701
Coffey	580	-673	-1,203	1,427	-1,595	-362	-261	-8	-1,565
Comanche	113	-147	3,698	175	-258	-2,406	-117	-200	1,292
Cowley	3,003	-3,715	-34,536	3,620	-4,128	-13,845	-1,220	-1,631	-48,380
Crawford	3,506	-4,724	-37,364	4,412	-4,052	5,271	-858	-1,634	-32,093
Decatur	383	-384	-398	309	-459	-3,351	-151	-218	-3,749
Dickinson	1,590	-1,825	-6,744	3,155	-3,357	1,375	-437	-97	-5,370
Doniphan	1,175	-1,225	-146	459	-514	-1,959	-105	1	-2,105
Douglas	14,509	-17,098	-70,780	18,698	-15,738	64,049	371	255	-6,731
Edwards	218	-297	-2,835	483	-688	-6,033	-284	-449	-8,868
Elk	161	-150	492	502	-499	3,033	14	224	3,524
Ellis	1,892	-2,882	-35,521	4,888	-4,917	-8,050	-1,019	-1,838	-43,571
Ellsworth	309	-360	375	988	-1,118	-2,726	-181	-39	-2,351
Finney	4,451	-6,408	-76,521	3,631	-4,777	-41,674	-3,103	-7,647	-118,195
Ford	3,199	-4,197	-39,562	3,200	-4,186	-34,630	-1,984	-4,193	-74,192
Franklin	1,917	-1,944	-2,084	4,107	-3,865	20,582	215	1,116	18,498
Geary	17,130	-21,900	-203,770	4,583	-5,231	-14,727	-5,418	-15,696	-218,496
Gove	161	-205	-477	338	-522	-5,441	-228	-268	-5,918
Graham	211	-212	61	380	-570	-4,364	-191	-293	-4,304
Grant	812	-1,230	-19,750	841	-1,082	-10,317	-659	-1,423	-30,066
Gray	421	-585	-6,270	893	-1,013	-5,315	-284	-328	-11,585
Greeley	46	-97	-1,837	54	-157	-2,810	-154	-315	-4,647
Greenwood	452	-487	-317	1,411	-1,446	-380	-70	90	-697
Hamilton	310	-359	-1,989	247	-344	-5,439	-146	-242	-7,428
Harper	454	-534	-2,284	813	-945	-4,821	-212	-223	-7,105
Harvey	2,359	-2,685	-8,007	5,156	-5,219	19,449	-389	308	11,442
Haskell	332	-455	-6,808	604	-672	-4,620	-191	-392	-11,429
Hodgeman	62	-118	-1,046	139	-290	-4,585	-207	-336	-5,630
Jackson	699	-692	2,006	2,424	-2,535	7,412	-104	574	9,419
Jefferson	791	-963	-7,735	3,708	-3,569	27,325	-33	937	19,589
Jewell	322	-360	-840	353	-557	-5,421	-242	-356	-6,261
Johnson	97,662	-88,348	68,116	41,919	-28,691	539,248	22,542	42,272	607,364
Kearny	316	-524	-8,982	646	-738	-1,671	-300	-536	-10,653
Kingman	436	-500	-1,097	1,368	-1,551	-498	-247	-28	-1,595
Kiowa	314	-361	-2,517	481	-664	-7,245	-230	-453	-9,763
Labette	1,743	-2,152	-15,236	2,086	-2,400	-8,587	-723	-858	-23,823
Lane	81	-133	-1,235	200	-362	-4,435	-214	-369	-5,671
Leavenworth	15,114	-15,345	-\$33,741	7,628	-7,179	\$65,712	218	2,404	\$31,972
Lincoln	230	-213	1,100	533	-662	-2,133	-112	1	-1,033
Linn	779	-749	3,878	1,715	-1,446	22,419	299	926	26,297
Logan	235	-308	-3,690	461	-631	-5,339	-243	-326	-9,028
Lyon	3,199	-4,054	-28,270	4,976	-6,068	-46,720	-1,947	-3,753	-74,991

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Table 4 (Cont.): Migration of Kansas Taxpayers and Adjusted Gross Income (AGI), 1996-2004

AGI Figures are in Thousands and Inflation-Adjusted to 2006 Dollars

	Inter-State			Intra-State			Net Flow		
	Inflow	Outflow	Net AGI	Inflow	Outflow	Net AGI	Taxpayers	Exemptions	Net AGI
McPherson	1,957	-2,272	-8,322	3,743	-3,818	11,920	-390	193	3,598
Marion	709	-749	-21	1,681	-1,877	150	-236	-3	130
Marshall	729	-890	-4,416	878	-1,273	-10,397	-556	-577	-14,812
Meade	435	-514	-3,765	533	-664	-5,006	-210	-282	-8,771
Miami	1,889	-1,962	9,655	4,288	-3,877	60,532	338	2,006	70,187
Mitchell	295	-354	-1,037	884	-1,104	-4,702	-279	-368	-5,739
Montgomery	3,866	-4,511	-21,281	2,916	-3,470	-19,383	-1,199	-2,030	-40,665
Morris	368	-439	-1,711	951	-1,063	1,062	-183	-89	-649
Morton	538	-634	-5,196	276	-439	-5,759	-259	-548	-10,955
Nemaha	497	-641	-5,366	1,012	-1,239	-6,406	-371	-467	-11,772
Neosho	1,020	-1,281	-8,069	2,166	-2,439	-4,992	-534	-621	-13,061
Ness	150	-204	-1,756	376	-608	-8,654	-286	-437	-10,410
Norton	428	-498	-5,292	610	-751	-4,910	-211	-156	-10,202
Osage	840	-978	-3,446	3,603	-3,603	19,065	-138	754	15,619
Osborne	243	-259	-613	502	-711	-6,477	-225	-307	-7,090
Ottawa	409	-478	-3,914	1,538	-1,532	13,210	-63	381	9,296
Pawnee	336	-507	-5,105	948	-1,169	-8,224	-392	-572	-13,329
Phillips	450	-530	-4,869	625	-851	-10,187	-306	-529	-15,056
Pottawatomie	2,075	-2,284	-7,810	4,768	-4,336	33,401	223	1,096	25,591
Pratt	683	-865	-4,928	1,457	-1,583	-642	-308	-355	-5,570
Rawlins	225	-283	-1,114	256	-379	-3,865	-181	-232	-4,978
Reno	3,970	-4,952	-53,183	7,053	-7,312	-694	-1,241	-1,726	-53,877
Republic	382	-432	-1,085	514	-794	-6,159	-330	-396	-7,243
Rice	672	-739	-3,115	1,378	-1,749	-12,228	-438	-617	-15,343
Riley	8,239	-11,946	-129,767	11,513	-11,869	-64,909	-4,063	-10,240	-194,676
Rooks	306	-940	-1,757	725	-977	-6,144	-886	-1,349	-7,901
Rush	178	-212	-633	606	-698	-3,301	-126	-126	-3,934
Russell	468	-546	-5,500	978	-1,110	-3,868	-210	-314	-9,367
Saline	3,923	-4,966	-46,343	7,514	-7,673	-29,433	-1,202	-2,386	-75,776
Scott	416	-519	-1,934	652	-855	-5,009	-306	-469	-6,943
Sedgwick	42,867	-48,741	-678,731	31,769	-28,371	-91,968	-2,476	-9,751	-770,699
Seward	3,574	-4,893	-74,698	1,742	-2,160	-18,046	-1,737	-4,012	-92,744
Shawnee	13,042	-16,148	-224,311	17,227	-16,203	-45,664	-2,082	-4,350	-269,976
Sheridan	111	-184	-2,594	242	-431	-5,518	-262	-364	-8,111
Sherman	942	-1,221	-10,046	801	-950	-3,513	-428	-825	-13,559
Smith	270	-295	2,674	369	-524	-3,643	-180	-203	-969
Stafford	254	-322	-2,209	637	-833	-7,315	-264	-379	-9,524
Stanton	212	-285	-2,795	277	-373	-3,118	-169	-383	-5,912
Stevens	587	-739	-8,990	604	-675	-2,413	-223	-306	-11,403
Sumner	1,347	-1,528	-5,949	3,329	-3,836	-13,410	-688	-535	-19,358
Thomas	740	-1,020	-9,171	1,271	-1,446	-4,578	-455	-889	-13,749
Trego	172	-223	-1,491	430	-539	-2,764	-160	-271	-4,255
Wabaunsee	267	-294	-5,163	1,067	-1,120	2,818	-80	73	-2,345
Wallace	111	-162	-1,340	130	-258	-3,246	-179	-354	-4,585
Washington	362	-418	523	569	-818	-7,442	-305	-394	-6,919
Wichita	176	-236	-2,855	256	-434	-6,876	-238	-519	-9,731
Wilson	653	-720	-429	1,389	-1,537	-3,897	-215	-162	-4,326
Woodson	163	-173	-330	582	-638	-187	-66	-81	-517
Wyandotte	18,332	-21,218	-163,989	15,681	-19,480	-244,680	-6,685	-15,738	-408,669

Source: U.S. Internal Revenue Service, Statistics of Income Division; authors' calculations.

Note: The authors could not reconcile the county-level details with the state-level totals. The likely reason relates to IRS privacy-related data suppression procedures. Data inconsistencies are magnified in the calculation of Net-Flow figures.

Tables 5 and 6: Top-10 Out-of-State Origins and Destinations for Kansas Taxpayers, 1985-2004 & 1996-2004

Table 5a Total Kansas Domestic Taxpayer In-Migration Filing/Calendar Years 1985 to 2004						
Rank	State	County	Number of Taxpayers	Number of Exemptions	Percent of Migrating Taxpayers	Average Number of Taxpayer In-Migration Per Year
1	MO	Jackson County	78,244	140,509	28.7%	3,912.2
2	MO	Clay County	11,586	20,464	4.2%	579.3
3	CA	Los Angeles County	7,959	17,468	2.9%	398.0
4	MO	Platte County	6,787	10,367	2.5%	339.4
5	AZ	Maricopa County	5,903	11,884	2.2%	295.2
6	MO	St Louis County	5,848	11,281	2.1%	292.4
7	OK	Tulsa County	5,829	12,206	2.1%	291.5
8	TX	Dallas County	5,702	11,121	2.1%	285.1
9	IL	Cook County	5,306	10,167	1.9%	265.3
10	OK	Oklahoma County	5,149	10,583	1.9%	257.5

Table 6a Total Kansas County Domestic Taxpayer In-Migration Filing/Calendar Years 1996 to 2004								
Rank	State	County	Number of Taxpayers	Number of Exemptions	Total Adjusted Gross Income (Real 2006 Dollars)	Ajusted Gross Income per Taxpayer	Percent of Total Taxpayers	Average Number of Taxpayer In-Migration Per Year
1	MO	Jackson County	35,743	62,450	1,668,747	46,687	25.4%	3,971.4
2	MO	Clay County	6,166	10,682	271,409	44,017	4.4%	685.1
3	CA	Los Angeles County	3,772	8,564	131,415	34,840	2.7%	419.1
4	MO	Platte County	3,741	6,515	178,654	47,756	2.7%	415.7
5	AZ	Maricopa County	2,988	5,880	159,867	53,503	2.1%	332.0
6	MO	St Louis County	2,772	5,180	200,797	72,438	2.0%	308.0
7	IL	Cook County	2,572	4,842	154,857	60,209	1.8%	285.8
8	NE	Douglas County	2,419	4,657	142,371	58,855	1.7%	268.8
9	OK	Tulsa County	2,369	4,761	113,300	47,826	1.7%	263.2
10	MO	Cass County	2,215	4,121	102,447	46,252	1.6%	246.1

Table 5b Total Kansas Domestic Taxpayer Out-Migration Filing/Calendar Years 1985 to 2004						
Rank	State	County	Number of Taxpayers	Number of Exemptions	Percent of Migrating Taxpayers	Average Number of Taxpayer Out-Migration Per Year
1	MO	Jackson County	74,337	124,354	24.8%	3,716.9
2	MO	Clay County	12,841	23,725	4.3%	642.1
3	AZ	Maricopa County	11,586	22,157	3.9%	579.3
4	TX	Dallas County	8,755	15,472	2.9%	437.8
5	MO	Platte County	8,243	15,499	2.7%	412.2
6	CA	Los Angeles County	7,685	13,490	2.6%	384.3
7	TX	Tarrant County	7,045	15,340	2.3%	352.3
8	OK	Tulsa County	6,590	13,522	2.2%	329.5
9	TX	Harris County	6,413	13,070	2.1%	320.7
10	IL	Cook County	6,371	10,080	2.1%	318.6

Table 6b Total Maine Domestic Taxpayer Out-Migration Filing/Calendar Years 1996 to 2004								
Rank	State	County	Number of Taxpayers	Number of Exemptions	Total Adjusted Gross Income (Real 2006 Dollars)	Ajusted Gross Income per Taxpayer	Percent of Total Taxpayers	Average Number of Taxpayer Out-Migration Per Year
1	MO	Jackson County	36,141	59,592	1,447,757	40,059	22.9%	4,015.7
2	MO	Clay County	6,971	12,599	299,505	42,964	4.4%	774.6
3	AZ	Maricopa County	5,285	10,055	310,193	58,693	3.4%	587.2
4	MO	Platte County	4,465	8,042	225,426	50,487	2.8%	496.1
5	TX	Dallas County	3,726	6,407	169,737	45,555	2.4%	414.0
6	TX	Tarrant County	3,386	7,246	211,257	62,391	2.1%	376.2
7	IL	Cook County	3,111	4,578	147,118	47,289	2.0%	345.7
8	CA	Los Angeles County	3,073	5,158	116,769	37,999	1.9%	341.4
9	MO	Cass County	3,053	6,452	162,898	53,357	1.9%	339.2
10	TX	Harris County	2,966	5,772	183,953	62,020	1.9%	329.6

Table 7: County-to-County Migration around the Kansas City Metro Area

Table 7		<i>Out-Migration To:</i>					
		Johnson	Wyandotte	Leavenworth	Jackson	Clay	Platte
<i>In From:</i>	Johnson		10,062 (\$32,153)	1,943 (\$51,317)	21,342 (\$47,180)	3,418 (\$48,144)	2,087 (\$59,282)
	Wyandotte	13,115 (\$38,254)		2,704 (\$42,336)	7,724 (\$27,559)	1,824 (\$36,547)	1,084 (\$40,356)
	Leavenworth	2,045 (\$42,526)	1,812 (\$30,961)		748 (\$30,024)	409 (\$36,373)	532 (\$42,249)
	Jackson	24,531 (\$54,531)	6,740 (\$25,798)	692 (\$32,031)			
	Clay	3,879 (\$48,963)	1,262 (\$31,607)	295 (\$39,855)			
	Platte	2,135 (\$53,854)	710 (\$34,025)	476 (\$45,107)			

Table 8: County-to-County Migration around the Wichita Metro Area

Table 8		<i>Out-Migration To:</i>						
		Sedgwick	Harvey	Butler	Cowley	Sumner	Kingman	Reno
<i>In From:</i>	Sedgwick		2,020 (\$41,908)	7,076 (\$51,010)	1,150 (\$36,644)	1,912 (\$38,747)	645 (\$39,822)	1,435 (\$37,924)
	Harvey	2,212 (\$35,593)		299 (\$36,127)	25 (\$25,763)	No Data	No Data	531 (\$31,949)
	Butler	6,529 (\$38,766)	277 (\$37,352)		333 (\$34,218)	161 (\$34,154)	No Data	123 (\$34,717)
	Cowley	1,715 (\$30,943)	10 (\$27,848)	360 (\$32,929)		473 (\$31,015)	No Data	36 (\$25,945)
	Sumner	2,215 (\$35,685)	No Data	151 (\$36,713)	574 (\$29,679)		22 (\$32,275)	No Data
	Kingman	723 (\$33,360)	No Data	No Data	No Data	No Data		165 (\$29,678)
	Reno	2,083 (\$33,474)	553 (\$32,331)	110 (\$33,783)	44 (\$27,910)	No Data	134 (\$33,694)	