

Senate Assessment and Taxation Committee
Sen. Caryn Tyson, chair
RE: SB 196

Jan. 8, 2023

Dear Committee Members,

I am Bruce Symes, an Allen County commissioner, and I am writing in support of Senate Bill 196 to restore Local Ad Valorem Tax Refund (LAVTR) in full to counties and cities of Kansas.

This partnership, between state and local governments, was intended to return sales tax monies collected in local jurisdictions from the state to county and city governments so we could return it to taxpayers directly through property tax reductions. Since the Legislature stopped meeting its statutory obligation to follow LAVTR in 2001, local governments have lost out on more than \$1.7 billion in property tax refunds to our citizens. Please pass this legislation to honor that partnership and begin again following your statutory obligation with LAVTR.

In budget year 2023, Allen County should have received \$529,100 in LAVTR funds withheld by the state. That equaled 3.225 mills, based on our valuation then of \$164,072,000, that would have been reflected in our budget as direct tax relief. We commissioners try our hardest to keep spending, and taxes, down as much as possible while facing the challenges of compensating our employees well and dealing with increased prices for operation of our governments. This disregard of the LAVTR partnership, and law, by the Legislature has significantly hobbled us in doing so, and in effect taxes our residents twice through the sales taxes paid by them and sent to the state and then paying the property taxes that should have been reduced by return of LAVTR funds by state lawmakers.

At this year's budget hearing in Allen County, we passed a \$22.7 million budget with increased spending from the previous year of about \$450,000. Thankfully, our county's assessed valuation increased, and we actually decreased our mill levy by a fraction of a point, but reality was that the cost of doing business increases year to year. I take responsibility for voting for this budget, and folks may disagree with me, but I feel our commission was responsible in keeping spending down while maintaining services and personnel. However, if you look at LAVTR funding of a half-million dollars that we didn't get because the Legislature didn't honor its partnership with local governments, that would have more than covered our spending increases.

An Allen County resident attended our budget hearing this year and said he had to skip a month's prescription of insulin for his diabetes when he wrote his check to Allen County for his property taxes. It was an either/or situation for him, he said, as he lives on Social Security, as do many of our county's elderly residents who are on fixed income. Granted his tax bill, and those of all of our residents, also included school taxes, city taxes, our college taxes - all other taxing entities which apply. But his personal account affected me and convicted me to continue to look at our budget process and our spending throughout the year with great scrutiny and to speak out for restoring this LAVTR partnership.

Thank you for your time and consideration.

Sincerely, Bruce Symes

Iola, Kansas

Allen County Commissioner

District 3