

KANSAS DEPARTMENT OF REVENUE

FY 2024 – FY 2026 BUDGET SUMMARY

FIG. 1 BUDGET SUMMARY, FY 2024 – FY 2026

	Actual FY 2024	Agency FY 2025	Legislative Budget Committee FY 2025	Agency FY 2026	Legislative Budget Committee FY 2026
EXPENDITURES:					
State Operations*	\$ 120,761,130	\$ 122,540,012	\$ 122,540,012	\$ 119,357,362	\$ 119,357,362
Salaries and Wages	73,510,848	78,534,273	78,534,273	79,369,224	79,369,224
Contractual Services	39,614,155	36,743,194	36,743,194	35,450,084	35,450,084
Commodities	6,824,161	6,260,894	6,260,894	3,761,303	3,761,303
Capital Outlay	811,966	1,001,651	1,001,651	776,751	776,751
State Aid and Assistance	\$ 4,872,680	\$ 4,395,652	\$ 4,395,652	\$ 4,233,709	\$ 4,233,709
Aid to Local Units	4,851,936	4,395,652	4,395,652	4,233,709	4,233,709
Other Assistance	20,744	-	-	-	-
Capital Budget and Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Improvements	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
Debt Service Interest	-	-	-	-	-
TOTAL	\$ 125,633,810	\$ 126,935,664	\$ 126,935,664	\$ 123,591,071	\$ 123,591,071
FINANCING:					
State General Fund	\$ 16,670,224	\$ 17,631,075	\$ 17,631,075	\$ 17,769,960	\$ 17,769,960
All Other Funds	108,963,586	109,304,589	109,304,589	105,821,111	105,821,111
TOTAL	\$ 125,633,810	\$ 126,935,664	\$ 126,935,664	\$ 123,591,071	\$ 123,591,071
PERCENTAGE CHANGE:					
State General Fund	(4.1) %	5.8 %	-- %	0.8 %	-- %
All Funds	2.6 %	1.0 %	-- %	(2.6) %	-- %
FTE Positions	1,039.2	1,039.2	1,039.2	1,039.2	1,039.2

* Note: Expenditures for debt service interest are reflected under "Capital Budget and Debt."

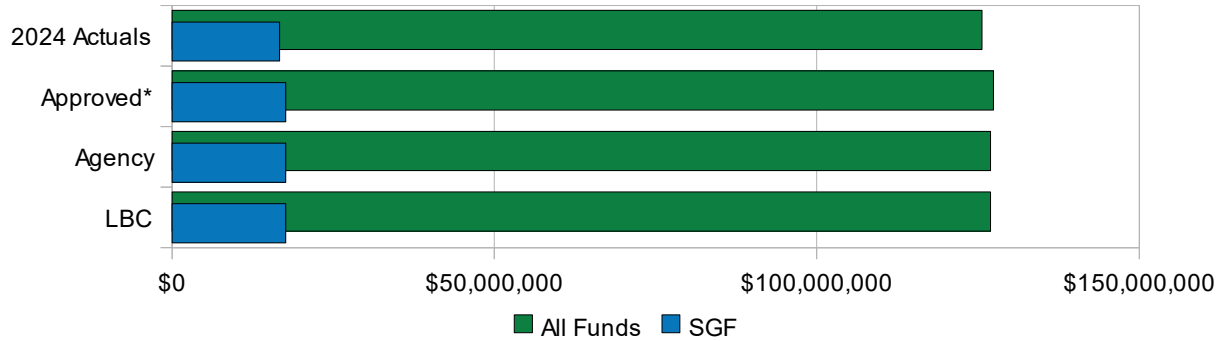
AGENCY OVERVIEW

The Kansas Department of Revenue collects taxes and fees, administers Kansas tax laws, issues a variety of licenses, and provides assistance to Kansas citizens and units of government. The agency is divided into six major divisions, which reflect the four statutory programs the agency is charged with administering and the support functions that serve the regular programs. The present organizational structure includes the following units:

- **Administrative Services** provides management and support services to the other programs.
- **Aid to Local Units of Government** provides for the distribution of certain state-collected taxes and fees to local units of government as aid.
- **Alcoholic Beverage Control (ABC)** regulates the sale and distribution of alcoholic beverages and enforces bingo and tobacco regulations.
- **Motor Vehicles** issues titles, registers vehicles, and licenses drivers.
- **Property Valuation** appraises state property and exercises supervision over local appraisers.
- **Tax Administration** manages and enforces the major state taxes and conducts a program of audits to identify and substantiate under-reporting of Kansas taxes.

FY 2025 ANALYSIS

FIG. 2 BUDGET HIGHLIGHTS, FY 2025



* Note: Includes SGF reappropriations.

FIG. 3 BUDGET COMPARISON, FY 2025

Fund	2024 Actuals	2025 Approved*	2025 Agency	Agency Change from Previous-Year Actuals		Agency Change from Approved*	
SGF	\$ 16,670,224	\$ 17,631,075	\$ 17,631,075	\$ 960,851	5.8 %	\$ -	-- %
All Other Funds	108,963,586	109,775,256	109,304,589	341,003	0.3	(470,667)	(0.4)
TOTAL	\$ 125,633,810	\$ 127,406,331	\$ 126,935,664	\$ 1,301,854	1.0 %	\$ (470,667)	(0.4) %

* Note: Includes SGF reappropriations.

BUDGET ANALYSIS

FIG. 4 SUMMARY OF BUDGET REQUEST, FY 2025

	Agency			Legislative Budget Committee		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Approved, FY 2025	\$ 17,631,075	\$ 127,406,331	1,039.2	\$ 17,631,075	\$ 127,406,331	1,039.2
2024 SB 28 & HB 2551	17,590,528	127,365,784	1,039.2	17,590,528	127,365,784	1,039.2
1. SGF Reappropriation	40,547	40,547	-	40,547	40,547	-
Supplemental Requests	\$ -	\$ -	-	\$ -	\$ -	-
2. No Supplemental Requests	-	-	-	-	-	-
Other Changes	\$ -	\$ (470,667)	-	\$ -	\$ (470,667)	-
3. Special County Mineral Production Tax Fund	-	(453,608)	-	-	(453,608)	-
4. All Other Adjustments	-	(17,059)	-	-	(17,059)	-
TOTAL	\$ 17,631,075	\$ 126,935,664	1,039.2	\$ 17,631,075	\$ 126,935,664	1,039.2

1. SGF REAPPROPRIATION

The agency carried over \$40,547 in unspent SGF moneys into FY 2025.

2. SUPPLEMENTAL REQUESTS

The agency had no supplemental requests in FY 2025.

3. SPECIAL COUNTY MINERAL PRODUCTION TAX FUND

The agency requests the deletion of \$453,608, all from the Special County Mineral Production Tax Fund, to adjust the transfer amount for the consensus revenue estimates in FY 2025. The moneys are expended as aid to local governments.

- **Agency:** Delete \$453,608, all from the Special County Mineral Production Tax Fund, to adjust the transfer amount for the consensus revenue estimates in FY 2025.
- **LBC:** No changes.

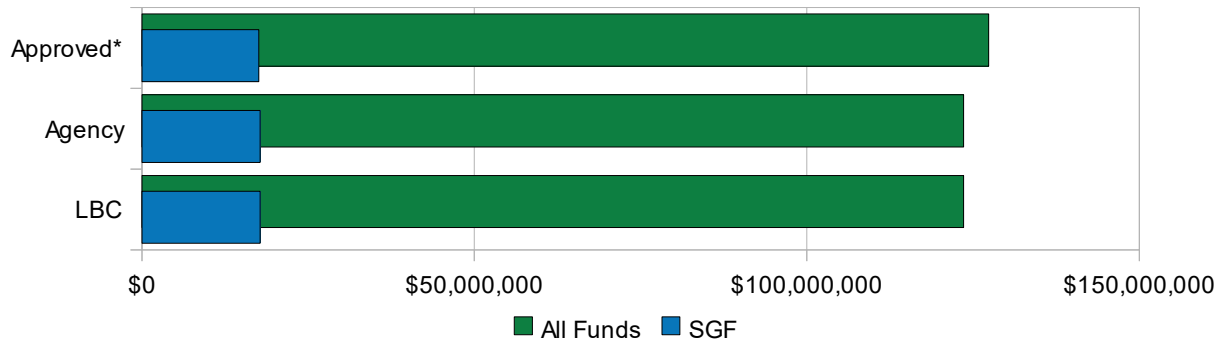
4. ALL OTHER ADJUSTMENTS

The agency requests the deletion of \$17,059, all from special revenue funds, in all other adjustments in FY 2025. This is primarily attributable to a decrease in data processing supplies and other supplies anticipated for the remainder of the fiscal year.

- **Agency:** Delete \$17,059, all from special revenue funds, for data processing supplies and other supplies in FY 2025.
- **LBC:** No changes.

FY 2026 ANALYSIS

FIG. 5 BUDGET HIGHLIGHTS, FY 2026



* Note: Reflects legislative-approved expenditures for FY 2025, excluding reappropriations.

FIG. 6 BUDGET HIGHLIGHT CHANGES, FY 2026

Fund	2025 Agency	2025 Approved*	2026 Agency	Agency Change from Previous-Year Agency		Agency Change from Approved*	
SGF	\$ 17,631,075	\$ 17,590,528	\$ 17,769,960	\$ 138,885	0.8 %	\$ 179,432	1.0 %
All Other Funds	109,304,589	109,775,256	105,821,111	(3,483,478)	(3.2)	(3,954,145)	(3.6)
TOTAL	\$ 126,935,664	\$ 127,365,784	\$ 123,591,071	\$ (3,344,593)	(2.6) %	\$ (3,774,713)	(3.0) %

* Note: Reflects legislative-approved expenditures for FY 2025, excluding reappropriations.

BUDGET ANALYSIS

FIG. 7 SUMMARY OF BUDGET REQUEST, FY 2026

	Agency			Legislative Budget Committee		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Approved, FY 2025	\$ 17,590,528	\$ 127,365,784	1,039.2	\$ 17,590,528	\$ 127,365,784	1,039.2
2024 SB 28 & HB 2551	17,590,528	127,365,784	1,039.2	17,590,528	127,365,784	1,039.2
Enhancement Requests	\$ -	\$ -	-	\$ -	\$ -	-
1. No Enhancement Requests	-	-	-	-	-	-
Other Changes	\$ 179,432	\$ (3,774,713)	-	\$ 179,432	\$ (3,774,713)	-
2. Special County Mineral Production Tax Fund	-	(603,207)	-	-	(603,207)	-
3. License Plate Replacement	-	(4,900,000)	-	-	(4,900,000)	-
4. Salaries and Wages	-	831,713	-	-	831,713	-
5. All Other Adjustments	179,432	896,781	-	179,432	896,781	-
TOTAL	\$ 17,769,960	\$ 123,591,071	1,039.2	\$ 17,769,960	\$ 123,591,071	1,039.2

1. ENHANCEMENT REQUESTS

The agency's request does not include any enhancement requests.

2. SPECIAL COUNTY MINERAL PRODUCTION TAX FUND

The agency requests a deletion of \$603,207, all from the Special County Mineral Production Tax Fund, to adjust the transfer amount for the consensus revenue estimates for FY 2026. The moneys are expended as aid to local governments.

- **Agency:** Delete \$603,207, all from the Special County Mineral Production Tax Fund, to adjust the transfer amount for the consensus revenue estimates for FY 2026.
- **LBC:** No changes.

3. LICENSE PLATE REPLACEMENT

The agency's request includes a deletion of \$4.9 million, all from federal American Rescue Plan Act (ARPA) funds, due to the completion of the license plate replacement project for FY 2026.

- **Agency:** Delete \$4.9 million, all from federal ARPA funds, due to the completion of the license plate replacement project for FY 2026.
- **LBC:** No changes.

4. SALARIES AND WAGES

The agency's request includes \$831,713, all from special revenue funds. This adjustment eliminates the shrinkage allocation for the agency of \$1.6 million. Absent the elimination of the shrinkage allocation, the agency's salaries and wages budget would decrease by \$803,707 for FY 2026.

- **Agency:** Add \$831,713, all from special revenue funds, for increased salaries and wages expenditures for FY 2026.
- **LBC:** No changes.

5. ALL OTHER ADJUSTMENTS

The agency's request includes \$896,781, including \$179,432 SGF, in all other adjustments for FY 2026. This is primarily attributable to computer software and programming within the Administration and Motor Vehicle divisions of the agency.

- **Agency:** Add \$896,781, including \$179,432 SGF, for computer software and programming for FY 2026.
- **LBC:** No changes.

REFERENCE TABLES

FIG. 8 **10-YEAR EXPENDITURE HISTORY, FY 2017 – FY 2026**

Fiscal Year	SGF	Change	All Funds	Change	FTE	CPI-U Change**
FY 2017	\$ 16,874,650	29.3 %	\$ 94,200,500	(13.0) %	1,019.1	0.0 %
FY 2018	15,784,592	(6.5)	108,666,022	15.4	997.8	0.2
FY 2019	15,711,021	(0.5)	121,473,894	11.8	1,078.7	0.0
FY 2020	15,961,423	1.6	104,902,219	(13.6)	1,089.2	0.8
FY 2021	15,248,295	(4.5)	109,166,782	4.1	1,049.2	2.4
FY 2022	14,774,330	(3.1)	109,999,207	0.8	1,049.2	9.2
FY 2023	17,375,218	17.6	122,453,453	11.3	1,049.2	5.8
FY 2024	16,670,224	(4.1)	125,633,810	2.6	1,039.2	3.0
FY 2025 Agency	17,631,075	5.8	126,935,664	1.0	1,039.2	2.5
FY 2026 Agency	17,769,960	0.8	123,591,071	(2.6)	1,039.2	2.4
10-Yr. Chg. (FY 2017– 2026)	\$ 895,310	5.3 %	\$ 29,390,571	31.2 %	20.1	33.4 %
3-Yr. Avg. (FY 2022– 2024)*	\$ 16,273,257		\$ 119,362,157		1,045.8	

* Note: Reflects three most recent years of actuals data.

** Note: Consumer Price Index – All Urban Consumers estimate for FY 2025 and FY 2026 is from the Consensus Revenue Estimating Group.

FIG. 9 **EXPENDITURES BY PROGRAM, FY 2024 – FY 2026**

Program	Actual FY 2024	Agency FY 2025	LBC FY 2025	Agency FY 2026	LBC FY 2026
Administration	\$ 40,210,800	\$ 40,364,735	\$ 40,364,735	\$ 40,245,692	\$ 40,245,692
Aid to Locals	4,851,936	4,395,652	4,395,651	4,233,709	4,233,709
Alcoholic Beverage Control	3,627,549	4,071,012	4,071,012	3,889,110	3,889,110
Business Closure Rebates	10,634	-	-	-	-
License Plate Replacement Program	5,559,875	4,701,576	4,701,576	-	-
Motor Vehicles	37,203,624	36,725,150	36,725,150	38,034,512	38,034,512
Property Valuation	4,477,741	5,500,530	5,500,530	5,530,491	5,530,491
Tax Administration	29,691,651	31,177,009	31,177,009	31,657,557	31,657,557
TOTAL	\$ 125,633,810	\$ 126,935,664	\$ 126,935,663	\$ 123,591,071	\$ 123,591,071

FIG. 10 **FTE POSITIONS BY PROGRAM, FY 2024 – FY 2026**

Program	Actual FY 2024	Agency FY 2025	LBC FY 2025	Agency FY 2026	LBC FY 2026
Administration	246.5	246.5	246.5	246.5	246.5
Aid to Locals	-	-	-	-	-
Alcoholic Beverage Control	39.8	39.8	39.8	39.8	39.8
Business Closure Rebates	-	-	-	-	-
License Plate Replacement Program	-	-	-	-	-
Motor Vehicles	349.0	349.0	349.0	349.0	349.0
Property Valuation	34.5	34.5	34.5	34.5	34.5
Tax Administration	369.4	369.4	369.4	369.4	369.4
TOTAL	1,039.2	1,039.2	1,039.2	1,039.2	1,039.2