

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman John Edmonds at 9:00 a.m. on March 15, 2004 in Room 519-S of the Capitol.

All members were present except:

Representative David Huff- excused
Representative Paul Davis- 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 Bob Bethell
Representative Candy Ruff
Ken Hand - Wichita
Robert Topping, Jr., Owner Prairie Queen Bed and Breakfast

Others attending:

See Attached List

Chairman Edmonds opened the meeting for any bill introduction. There were none and the Chairman opened the public hearing on **HB 2910**.

Recognized as a proponent to **HB 2910** was Ken Hand from Wichita. Mr. Hand owns a 1911 Stanley Steamer. The steam for these antique automobiles is made by using kerosene to heat the water. The problem is they are unable to purchase kerosene because no supplier is set up to collect the road tax on this fuel. Therefore, they can't enjoy their hobby. He is urging the passage of **HB 2910**. (Attachment 1)

Representative Bethell also rose to give his support to **HB 2910**.

There were no other conferees on **HB 2910** and the Chairman closed the hearing.

Chairman Edmonds opened the public hearing on **HB 2703** recognizing Representative Bethell in who provided testimony in support of the bill which would reduce the tax on a "re-builder" by reducing the base tax of a vehicle class by 50%. Additional value remains taxed at the same rate. A "re-builder" is an automobile that due to an accident is deemed by the insurance company to be not worth repairing. In actuality the vehicle may have received very little damage and can be restored to road worthiness with some tender loving care. (Attachment 2)

There were no other conferees on **HB 2703** and the Chairman closed the hearing.

Next on the agenda was public hearing on **HB 2921** with the Chairman recognizing Representative Candy Ruff who came before the committee urging them to support the bill stating that the Bed and Breakfast Industry is an important part of Kansas Tourism. (No Written Testimony)

Robert Topping, Jr. Owner of the Prairie Queen B&B of Leavenworth, KS gave testimony in support of the bill. Mr. Topping stated that this legislation will support rural communities through the turn-over of dollars guests generate. B&Bs will remain a point of local area information and tourist promotion as well as a valuable asset in support of the travel and tourism initiatives of the Department of Tourism and the State. (Attachment 3)

With no other proponents, Ron Hein testified as an opponent to **HB 2921** on behalf of the Kansas Restaurant and Hospitality Association. It is their opinion that lodging facilities should be able to compete on a level

CONTINUATION SHEET

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playing field. State taxation policy should not give an economic advantage to one facility or another simply due to whether or not the owner of the property occupies the property or dependent on an arbitrary number of rooms for lease. (Attachment 4)

With no other person wishing to testify either as a proponent or an opponent, Chairman Edmonds closed the hearing on **HB 2921**.

There was no further business before the committee and the meeting was adjourned at 10:00 a.m.