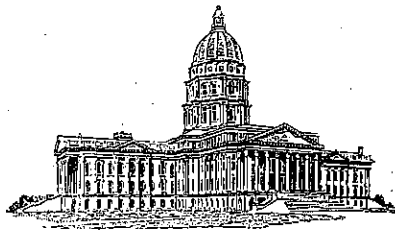


STATE OF KANSAS
HOUSE OF REPRESENTATIVES

House Taxation
Date: _____
Attachment: _____

STATE CAPITOL
TOPEKA, KANSAS 66612
1-800-432-3924 (during session)
melanie.meier@house.ks.gov

31301 175TH STREET
LEAVENWORTH, KS 66048
913-683-1610



MELANIE MEIER
40TH DISTRICT

Dear Chairman Carlson and the members of the House Taxation Committee,

Thank you for your consideration of HB 2403 – Property tax exemption and classification for property used for bed and breakfast home purposes today.

This is an issue that was brought to me by my constituent Mr. Bob Topping, a local bed and breakfast owner in my district who is very actively involved in the Kansas Bed and Breakfast Association. Mr. Topping is here today, so I will try not to steal his thunder and let him go into all the background of the issue.

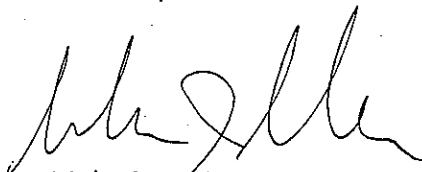
The bottom line is the definition of small bed and breakfast homes. In 2004, the legislature voted to designate small bed and breakfasts with 5 rooms or less, as residential property taxed at the residential rate rather than at the commercial property rate. But subsequent rules and regulations, and interpretation by some county appraisers, results in some small B&Bs being designated as commercial property because the owner did not live in the building, even if it was a carriage house or small cabin on the same property.

Last year I met with the Department of Revenue's Property Valuation Division (PVB) to discuss the issue. We reviewed definitions and whether legislation was actually needed. HB 2403 is the result of those meetings.

It is intended to clarify legislative intent.

I noticed there was no fiscal note on the website yet, but I have the original fiscal note from 2003 that stated any reduction to state funds would not be significant. That note was referring to the approximately 189 B&Bs at that time. This bill would only affect 35 or fewer of the smallest B&Bs, so the fiscal impact should be even less.

Again, thank you for your time and attention and I urge the committee to pass HB 2403 out favorably to the House as a Whole.


Melanie Meier

House Taxation
Date: 1/23/12
Attachment: 1