

KANSAS
ASSOCIATION



OF
SCHOOL
BOARDS

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Written Testimony before the
Senate Committee on Assessment and Taxation
on
SB 421 – Property Tax on Motor Vehicles
by
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Kansas Association of School Boards

February 21, 2012

Mr. Chairman, Members of the Committee,

Thank you for the opportunity to testify on **SB 421** on behalf of the Kansas Association of School Boards. KASB does not have a formal position on this bill, because the issues have not been presented to our Delegate Assembly. However, the bill has the potential to provide additional revenue for state funding public education, which we support.

Placing the 20 mill statewide school levy back on motor vehicles would provide an additional source of revenue to replace some of the deep cuts in school district spending made over the past three years. However, this would occur only if the Legislature actually used those revenues to increase general state aid for districts, rather than offset these revenues by reduced in state aid. The additional revenue from the 20 mill levy should be used to increase base state aid per pupil for all districts.

The bill also reduces the assessment rate on motor vehicles, which the fiscal note indicates would reduce revenues for local units of government. This would include school district funds other than the general fund, which is supported by the 20 mill statewide levy. These other funds include bond and interest, capital outlay and local option budgets. KASB is not able to determine how revenue loss in these funds could compare to increased revenues from the 20 mills, especially on a district-by-district basis.

KASB believes this concept should be considered as part of the overall tax strategy for the state, and encourages the committee to carefully study the overall impact of the bill.

Thank you for your consideration.

Sn. Assmnt & Tax
2-21-12
Attachment # 11