

Approved: March 5, 2012
(Date)

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman Richard Carlson at 3:38 pm on Wednesday, January 25, 2012, in Room 783 of Docking State Office Building.

Members excused were:

Representative Owen Donohoe
Representative Kasha Kelley
Representative Caryn Tyson

Committee staff present:

Scott Wells, Office of the Revisor of Statutes
Chuck Reimer, Office of the Revisor of Statutes
Chris Courtwright, Kansas Legislative Research Department
Chris Sevedge, Kansas Legislative Research Department
Allen Jeffus, Office Assistant
Phyllis Fast, Committee Assistant

Conferees appearing before the Committee:

Representative Virgil Peck, from the Eleventh District
Larry Baer, Kansas League of Municipalities (KLM)
Mark Tallman, Kansas Association of School Boards (KASB)

Chairman Carlson opened a hearing on:

HB 2287 – Sales tax holiday which provides sales tax exemption for certain purchases of school supplies, computers and clothing.

Scott Wells briefed the committee on **HB 2287**, a carryover bill from the 2011 session. He described what and when sales tax would be exempted for student school supplies. He stood for questions.

Representative Virgil Peck testified in support of **HB 2287**, provided a fiscal note and indicated **HB 2287** would promote southeast Kansas residents to shop for school supplies locally instead of traveling to Oklahoma and/or Missouri to take advantage of those two states' "tax holiday" on school supplies. (Attachment 1) He stood for questions.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

Minutes of the HOUSE TAXATION Committee at 3:38 PM on Wednesday January 25, 2012 in 783-DSOB.

Written only testimony in support of **HB 2287** was presented by: a constituent, Joyce Hazelbaker, via Representative Caryn Tyson. (Attachment 2)

No neutral testimony for **HB 2287** was presented.

Larry Baer testified in opposition to **HB 2287** saying that in general, KLM opposes any exemption to state sales tax. Sixty nine of Missouri's cities have opted out of their state's sales tax. (Attachment 3) He stood for questions.

Mark Tallman testified in opposition to **HB 2287** stating that KASB generally opposes any tax exemption which reduces revenue for schools. (Attachment 4) He stood for questions.

Written only testimony in opposition to **HB 2287** was provided by Nathan Eberline, Kansas Association of Counties. (Attachment 5)

After all questions from the Committee were answered, Chairman Carlson closed the hearing on **HB 2287**.

Without objection from the Committee, Chairman Carlson sought discussion and action on:

HB 2403 - Property tax exemption and classification for property used for bed and breakfast home purposes.

*Vice Chair Kleeb made a motion to pass **HB 2403** out favorable. Representative Goico seconded the motion.*

*Representative Powell made a motion to amend **HB 2403** by changing the number of bed and breakfast units in **HB 2403** from 5 to 8. Representative Hayzlett seconded the motion.*

*Representative Powell withdrew his motion to amend **HB 2403** and made a substitute motion to amend **HB 2403** by increasing the number of bed and breakfast units in **HB 2403** from 5 to 10. Motion was seconded by Representative Hayzlett. Motion carried.*

*Ranking Minority Member Dillmore made a motion to remove lines 28-31 on page one of **HB 2403**. Representative Gatewood seconded the motion. Following a discussion, Representative Dillmore moved to amend **HB 2403**. Motion carried.*

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2012 in 783-DSOB.

Representative Kleeb made a motion to pass **HB 2403** out favorable as amended.
Representative Schwab seconded the motion. Motion carried.

The next meeting of the Committee is scheduled for 3:30 pm Thursday, January 26, 2012, in
783-DSOB.

The meeting was adjourned at 4:55 pm.

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