

Approved: March 21, 2012
(Date)

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman Richard Carlson at 3:40 pm on Monday, March 5, 2012, in Room 783 of the Docking State Office Building.

Members excused were: Representative Weber

Committee staff present:

Gordon Self, Office of the Revisor of Statutes
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:

Paul Davis, Kansas House Minority Leader
Kim Winn, Kansas League of Municipalities
Randall Allen, Kansas Association of Counties
Luke Bell, Kansas Association of Realtors

Others attending: See attached list.

Introduction of Bills:

Chairman Carlson made a motion concerning school districts authorizing expenditures for certain unencumbered funds relating to local options budget. Representative Kleeb seconded the motion. Motion carried.

Chairman Carlson made a motion concerning disaster relief for tax credits for the rebuilding of Redding and Harveyville. Rep. Schroeder seconded the motion. Motion carried.

Chairman Carlson made a motion concerning tax exemptions for first call for help. Representative Frownfelter seconded the motion. Motion carried.

Chairman Carlson opened a hearing on:

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 3:40 PM on Monday, March 5, 2012 in 783-DSOB.

HB 2609 - Transferring moneys to the local ad valorem tax reduction fund.

Chris Courtwright briefed the Committee on **HB 2609**, saying that for the next two years only, the transfer of tax monies back to the counties would be a fixed amount each year, instead of a percentage. After two years, the distribution of tax monies to the counties would return to current law for distribution of ad valorem taxes to the counties. He stood for questions.

Representative Paul Davis testified in support of **HB 2609** emphasized the need to provide local governments with the specified tax monies to avoid the counties having to raise property taxes to fund county budgets. (Attachment 1) He stood for questions.

Scott Wells, at the request of Representative Davis, presented a balloon amendment to **HB 2609**, proposing specific dollar amounts for four future years instead of two years. (Attachment 2) He stood for questions.

Kim Winn testified in support of **HB 2609** by providing a brief history of the law and charts showing a 20- year plus history of tax money amounts being returned to cities, which ended in 2004. She provided and emphasized the amount of money which has been “lost” to cities in recent years. (Attachment 3) She stood for questions.

Randall Allen testified in support of **HB 2609** by providing the amounts of tax dollars counties have “lost” since 2004. (Attachment 4) He stood for questions.

Written only testimony in support of **HB 2609** was presented by Mike Taylor, Unified Government of Wyandotte County (Attachment 5).

Luke Bell testified in opposition to **HB 2609**, indicating property tax for Kansas homeowners has increased 93% over the past 13 years and providing statistics comparing Kansas to all other states. He ended his testimony by proposing that **HB 2212** solves the underlying tax problem in Kansas. (Attachment 6) He stood for questions.

After all questions from the Committee were answered, Chairman Carlson closed the hearing on **HB 2609**.

Chairman Carlson sought discussion and action on:

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CONTINUATION SHEET

Minutes of the HOUSE TAXATION Committee at 3:40 PM on Monday, March 5, 2012 in 783-DSOB.

HB 2717 - Allowing employees to retain and receive contributions from employers on individual policies and providing an income tax deduction for premiums paid on individually underwritten privately purchased health insurance policies.

*Representative Kleeb made a motion to pass **HB 2717** out favorable. Representative Brunk seconded the motion.*

*Representative Schwab made a motion to amend **HB 2717** by deleting lines 23-36 on page one and pages 2-6 of **HB 2717**. Representative Donohoe seconded the motion.*

*Representative Schwab renewed his motion to amend **HB 2717**. Motion failed.*

*Representative Kleeb renewed his motion to pass **HB 2717** out favorable. Motion carried.*

The next meeting of the Committee is scheduled for 3:30 pm Tuesday, March 6, 2012 in 783-DSOB.

The meeting was adjourned at 4:47 pm.