

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE

The meeting was called to order by Chairman Les Donovan at 10:37 a.m. on January 25, 2011, in Room 152-S of the Capitol.

All members were present except:
Senator Bob Marshall-excused

Committee staff present:
Gordon Self, Office of the Revisor of Statutes
Scott Wells, Office of the Revisor of Statutes
Chris Courtwright, Kansas Legislative Research Department
Michel Wales, Kansas Legislative Research Department
Mary Jane Brueck, Committee Assistant

Conferees appearing before the Committee:
Sen. Ruth Teichman

Others attending:
See attached list.

Sen Donovan opened the meeting with the hearing on **SB 10 An Act concerning sales taxation; relating to countywide retailers' sales tax.** He recognized Sen. Ruth Teichman, who spoke in favor of this bill. It directly effects towns in her district. (Attachment 1) Written testimony was presented from Linette Miller, Executive Director of Edwards County Economic Development Corporation. (Attachment 2) After discussion regarding time-lines for the bill to go into effect for the towns and cities to be able to hold elections for the citizens in the area to approve or decline an increase in tax for themselves. Sen. Bruce moved the bill be passed. Sen. King seconded the motion. Motion passed to move this bill out of committee.

Whitney Damron, representing the City of Topeka, requested a bill be written to set a floor for delinquent or unpaid taxes is set according to a formula tied to Section 6621 of the Federal Internal Revenue Code. The proposal is to amend K.S.A. 79-2968 to provide for a rate of interest on delinquent taxes that maintains the current formula, but sets a floor of "not less than ten percent" beginning in TY 2012. (Attachment 3).

Sen. Terry Bruce requested a bill to amend 74-50,208 to change the amount of individual development accounts program income tax level from fifty percent to seventy percent of the contribution amount and the cap stays the same. Without objection, the bill will be introduced.

Sen Kelsey introduced a comprehensive tax plan that should be ready in a few days. Chairman Donovan said without objection that bill will be introduced. He told Sen. Kelsey and the rest of the committee that after the committee has received that bill, the committee will probably have two days of hearings.

The next meeting is scheduled for Wednesday, January 26, 2011.

The meeting was adjourned at 10:55 a.m.