

MINUTES OF THE HOUSE TAXATION COMMITTEE.

The meeting was called to order by Chairperson John Edmonds at 9:00 a.m. on March 17, 2003 in Room 519-S of the Capitol.

All members were present except:

Representative Ruby Gilbert
Representative Mario Goico
Representative Lana Gordon
Representative Ed O'Malley
Representative Tim Owens
Representative Bonnie Sharp
Representative Lee Tafanelli

Committee staff present:

Chris Courtwright, Legislative Research Dept.
Gordon Self, Office of the Revisor of Statutes
Carol Doel, Committee Secretary

Conferees appearing before the committee:

Representative Geraldine Flaharty
Ron Hein, Kansas Hearing Aid Association
Day Kaufmann, Executive Director of the
Kansas Hearing Aid Association

Others attending:

See attached list

Chairman Edmonds opened the meeting asking if there were any bill introductions. T.C. Anderson requested the introduction of a bill that would clean up and clarify **SB 39** - *school district budgeting of certain moneys*.

Hearing no objections the Chairman accepted this bill for introduction.

Chairman Edmonds opened the meeting for public hearings on **HB 2238** - *sales tax exemption for Dream Work, Inc.* With there being no proponents and no opponents, the Chairman closed the hearing on **HB 2238**.

Next on the agenda was the opening of hearings on **HB 2084** - *sales tax exemption for hearing aids*. Representative Flaharty appeared as a proponent of the bill. In her testimony, Representative Flaharty pointed out that the bill addresses an inequity in sales tax payments by purchasers of hearing aids, a time consuming records and filing requirement for businesses, and a very small revenue source for the state. Also, currently purchasers without a doctor's prescription pays sales tax, those with a prescription do not. (Attachment 1)

Next to appear as a proponent to **HB 2084** was Ron Hein, legislative counsel for the KHAA (Kansas Hearing Aid Association.) Current tax law provides that hearing aids are exempt from sales taxation if they are prescribed by a physician licensed to practice medicine and surgery. Mr. Hein stated although they are supportive of this bill, the Association will not be pressing for passage this year due to the fiscal situation currently facing the state. (Attachment 2)

Both Representative Flaharty and Ron Hein stood for questions from the committee. Mr. Hein called on Mr.

CONTINUATION SHEET

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Day Kaufmann, Executive Director of Kansas Hearing Aid Association to answer some questions relative to the cost of hearing aids which he reported run from \$3,000 to \$5,000.

With no one further wishing to address the bill, Chairman Edmonds closed the hearing on **HB 2084**.

The Chairman opened the hearings on **HB 2175** - sales tax exemptions for Cystic Fibrosis Foundation. With neither proponents or opponents appearing on this bill, Chairman Edmonds called attention to written testimony from the Cystic Fibrosis Foundation. (Attachment 3)

Hearing was closed on **HB 2175**.

Chairman Edmonds called to the attention of the committee information distributed by Chris Courtwright which had previously been requested regarding municipal owned golf courses and green fees. (Attachment 4)

With no further business before the committee, the meeting Chairman Edmonds adjourned the meeting at 9:23 a.m.