

STATE OF KANSAS

HOUSE CHAMBER

MR. CHAIRMAN:

I move to amend **SB 265**, as amended by House Committee, on page 2, in line 35, after "thereof," by inserting "whether"; also in line 35, by striking "and" and inserting "or rented, which is";

On page 4, following line 37, by inserting:

"(j) "Rent constituting property taxes accrued" means 15% of the gross rent actually paid in cash or its equivalent in 2014 or any taxable year thereafter by a claimant and claimant's household solely for the right of occupancy of a Kansas homestead on which ad valorem property taxes were levied in full for that year. When a household occupies two or more different homesteads in the same calendar year, rent constituting property taxes accrued shall be computed by adding the rent constituting property taxes accrued for each property rented by the household while occupied by the household as its homestead during the year.

"(k) "Gross rent" means the rental paid at arm's length solely for the right of occupancy of a homestead or space rental paid to a landlord for the parking of a mobile home, exclusive of charges for any utilities, services, furniture and furnishings or personal property appliances furnished by the landlord as a part of the rental agreement, whether or not expressly set out in the rental agreement. Whenever the director of taxation finds that the landlord and tenant have not dealt with each other at arm's length and that the gross rent charge was excessive, the director may adjust the gross rent to a reasonable amount for the purposes of the claim.";

On page 12, following line 23, by inserting:

"Sec. 4. K.S.A. 2013 Supp. 79-4501 is hereby amended to read as follows: 79-4501. The title of this act shall be the homestead property tax refund act. The purpose of this act shall be to provide ad

valorem tax refunds to: (a) Certain persons who are of qualifying age who own or rent their homestead; (b) certain persons who have a disability, who own or rent their homestead; and (c) certain persons other than persons included under the provisions of subsection (a) or (b) who have low incomes and dependent children and own or rent their homestead.

Sec. 5. K.S.A. 2013 Supp. 79-4508 is hereby amended to read as follows: 79-4508. (a) Commencing in the tax year beginning after December 31, ~~2005~~ 2013, the amount of any claim pursuant to this act shall be computed by deducting the amount computed under column (2) from the amount of claimant's property tax accrued or rent constituting property tax accrued, or both.

(1)		(2)
Claimants household income		Deduction from property tax accrued <u>or rent constituting property tax accrued, or both</u>
At least	But not more than	
\$0	\$6,000	\$0
6,001	7,000	4%
7,001	16,000	4% plus 4% of every \$1,000, or fraction thereof, of income in excess of \$7,001
16,001	27,000	40% plus 5% of every \$1,000, or fraction thereof, of income in excess of \$16,001
27,001	27,600	95%

(b) The director of taxation shall prepare a table under which claims under this act shall be determined. The amount of claim for each bracket shall be computed only to the nearest \$1.

(c) The claimant may elect not to record the amount claimed on the claim. The claim allowable to persons making this election shall be computed by the department which shall notify the claimant by mail of the amount of the allowable claim.

(d) ~~In the case of all tax years commencing after December 31, 2004,~~ The upper limit threshold amount prescribed in this section, shall be increased by an amount equal to such threshold

amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) of the federal internal revenue code for the calendar year in which the taxable year commences.

Sec. 6. K.S.A. 2013 Supp. 79-4509 is hereby amended to read as follows: 79-4509. In the event property taxes accrued or rent constituting property taxes accrued, or the sum of both, exceeds \$700 for a household in any one year, the amount thereof ~~shall~~, for purposes of this act, shall be deemed to have been \$700.

Sec. 7. K.S.A. 2013 Supp. 79-4511 is hereby amended to read as follows: 79-4511. (a) Every claimant under this act shall supply to the division, in support of a claim, reasonable proof of age or disability, and changes of homestead, household membership, household income, and size and nature of property claimed as the homestead. A claim alleging disability shall be supported by a report of the examining physician of the claimant with a statement or certificate that the applicant has a disability within the meaning of subsection (g) of K.S.A. 79-4502, and amendments thereto.

(b) Every claimant who is a homestead owner, or whose claim is based wholly or partly upon homestead ownership at some time during the calendar year, shall supply to the division, in support of a claim, the amount of property taxes levied upon the property claimed as a homestead and a statement that the property taxes accrued used for purposes of this act have been or will be paid by the claimant. Upon request by the division, such claimant shall provide a copy of the statement of property taxes levied upon the property claimed as a homestead. The amount of personal property taxes levied on a manufactured home or mobile home shall be set out on the personal property tax statement showing the amount of such tax as a separate item.

(c) Every claimant who is a homestead renter, or whose claim is based wholly or partly upon homestead rental at some time during the calendar year, shall supply to the division, in support of a claim, a statement prescribed by the director certifying the amount of gross rent paid and that ad valorem property taxes were levied in full for that year on the property, all or a part of which was

rented by the claimant. When such claimant reports household income that is 150% or less of the homestead rental amount and such claimant has failed to provide any documentation or information requested by the division to verify such household income in support of a claim as required pursuant to subsection (a), within 30 days of such request, such homestead property tax refund claim shall be denied.

(d) The information required to be furnished under subsection (b) or (c) shall be in addition to that required under subsection (a).

Sec. 8. K.S.A. 2013 Supp. 79-4522 is hereby amended to read as follows: 79-4522. A person owning or occupying a homestead that is not rental property and for which the appraised valuation for property tax purposes exceeds \$350,000 in any year shall not be entitled to claim a refund of property taxes under the homestead property tax refund act for any such year. The provisions of this section shall be part of and supplemental to the homestead property tax refund act.";

And by renumbering sections accordingly;

Also on page 12, in line 24, by striking "and" and inserting ", 79-4501,"; in line 25, after "79-4502" by inserting ", 79-4508, 79-4509, 79-4511 and 79-4522";

On page 1, in the title, in line 1, by striking "tax; relating to homestead refund," and inserting "taxation; relating to eligibility for SAFESR credit; homestead property tax refunds,"; in line 2, after "eligibility" by inserting ", renters"; in line 4, by striking the first "and" and inserting ", 79-4501,"; also in line 4, after "79-4502" by inserting ", 79-4508, 79-4509, 79-4511 and 79-4522"

_____ District.