

MINUTES OF THE HOUSE TAXATION COMMITTEE.

The meeting was called to order by Chairperson John Edmonds at 9:00 a.m. on January 28, 2003 in Room 519-S of the Capitol.

All members were present except:           Rep. David Huff  
  Rep. Tom Sawyer

Committee staff present:                   Chris Courtwright, Legislative Research Dept.  
  April Holman, Legislative Research Dept.  
  Gordon Self, Office of the Revisor  
  Carol Doel, Committee Secretary

Conferees appearing before the committee: David Darling, Kansas State University  
  David Buress, Professor Kansas University

Others attending:                            See Attached List

Chairman Edmonds recognized Representative James Miller who introduced Brian Shepard, who is a senior at Kansas State working towards a law degree. Mr. Shepard gets six hours of credit for working as an intern with the Legislature.

Bill introductions were the next order of business with Representative Larkin requesting a bill introduction that would exempt not-for-profit, charitable, benevolent and fraternal organizations from property tax. There were no objections from the committee. The bill will be introduced.

Representative Siegfried was recognized with a further bill introduction, however, his bill was of duplicate nature.

There were no further bill introductions.

Chairman Edmonds introduced Professor David Darling, community development economist from Kansas State University. Professor Darling began his presentation describing his mission and his job. Also included in his presentation was the economic development pyramid, economic development strategies and resources, 2000-2001 strength index, wealth index 2002, strength index 2002, analysis of gains and losses of customer base from 1980-2000 estimated sales tax for farm expenses as well as Dr. Darling's professional opinions and recommendations. (Attachment 1)

Following his presentation Dr. Darling stood for question from the committee.

Next to appear before the committee was Doctor David Buress of the Center for Economic and Business Analysis Policy Research Institute University of Kansas. Dr. Buress also studies economic development and taxes. Professor Buress' presentation was entitled Is Kansas Cost-Competitive? This presentation included

CONTINUATION SHEET

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the key tax rates and costs in six surrounding states; Kansas business tax incentives, cost of business comparisons, in six surrounding states as well as conclusions and recommendations. (Attachment 2)

Following Dr. Bures' report to the committee, Chairman Edmonds appointed a subcommittee of Representative Tapanelli, Representative O'Malley and Representative Tom Sawyer to study the Family Development Account Program as recommended by the interim committee on Assessment and Taxation. (See Attachment 4 January 16, 2003)

With no further business, the committee was adjourned at 10:40 a.m.