Approved: April 01, 2015

#### MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairperson Marvin Kleeb at 3:32pm on Thursday, March 12, 2015, 582-N of the Capitol.

All members were present except:

Representative Carolyn Bridges - Excused

Committee staff present:

Reed Holwegner, Legislative Research Department

Phyllis Fast, Kansas Legislative Committee Assistant

Chris Courtwright, Legislative Research Department

Chuck Reimer, Office of Revisor of Statutes

Conferees appearing before the Committee:

Eric Stafford, Kansas Chamber of Commerce

Dan Murray, National Federation of Independent Business

Gary Allerheiligen, Kansas Society of Certified Public Accountants

Others in attendance:

See Attached List

#### **Bill introductions**

<u>Vice Chair Suellentrop made a motion to introduce a bill concerning fire districts. Ranking Minority Member Sawyer seconded the motion. Motion passed.</u>

# <u>Hearing on: HB2392 — Modifications to Kansas adjusted gross income relative to passive income for Kansas income tax purposes.</u>

Chairman Kleeb opened a hearing on **HB2392**.

Scott Wells briefed the Committee on **HB2392**. He stood for questions.

No testimony in support of **HB2392** was presented.

Eric Stafford presented testimony in opposition to <u>HB2392</u> by stating that the Chamber's position is to "reduce government spending instead of increasing the cost of doing business through tax increases". He stood for questions. (<u>Attachment 1</u>)

Dan Murray presented testimony in opposition to <u>HB2392</u> by saying "the bill reverses course on the state's promise to reduce and eliminate income taxes on individuals and small businesses". He stood for questions. (<u>Attachment 2</u>)

Gary Allerheilegen presented testimony neutral to <u>HB2392</u> by giving a thorough explanation of the bill. He stood for questions. (Attachment 3)

Written only testimony neutral to **HB2392** was presented by Ron Seeber & Randy Stookey, Kansas

#### CONTINUATION SHEET

MINUTES of the Committee on Taxation at 3:32pm on Thursday, March 12, 2015, 582-N of the Capitol.

Grain & Feed / Kansas Agribusiness Retailers Associations, and Kansas Cooperative Council (Attachment 4)

When all questions from the Committee were answered, Chairman Kleeb closed the hearing on **HB2392**.

#### Discussion & action on:

Without objection, Chairman Kleeb sought discussion and action on **HB2209**.

Scott Wells briefed the Committee on <u>HB2209</u>, indicating the bill referred to individual development accounts. He stood for questions.

<u>Vice Chair Suellentrop made a motion to pass out **HB2209** favorable. Representative Kelley seconded the motion. After a short discussion, Vice Chair Suellentrop closed on his motion to pass out **HB2209** favorable. Motion passed.</u>

#### Discussion & action on:

Without objection, Chairman Kleeb sought discussion and action on **HB2071**.

Scott Wells briefed the Committee on <u>HB2071</u>, indicating the bill had been requested by Kansas Department of Revenue. He stood for questions.

<u>Vice Chair Suellentrop made a motion to pass out **HB2071** favorable. Representative Brunk seconded the motion. Motion passed.</u>

### Discussion & action on:

Without objection, Chairman Kleeb sought discussion and action on **HB2240**.

Scott Wells briefed the Committee on <u>HB2240</u>. He and Arlen Siegfreid, Executive Director of the Board of Tax of Appeals, stood for questions.

Representative Brunk made a motion to pass out **HB2240** favorable. Representative Lunn seconded the motion.

<u>Representative Lunn made a motion to amend HB2240. (Attachment 5) Representative Brunk seconded</u> the motion. After a brief discussion, the motion passed.

Representative Brunk made a motion to pass out **HB2240** as amended. Motion passed.

#### CONTINUATION SHEET

MINUTES of the Committee on Taxation at 3:32pm on Thursday, March 12, 2015, 582-N of the Capitol.

## Discussion & action on:

Without objection, Chairman Kleeb sought discussion and action on **HB2070**.

Scott Wells briefed the Committee on <u>HB2070</u>, indicating the bill was requested by Kansas Department of Revenue. He stood for questions.

<u>Vice Chair Suellentrop made a motion to pass out **HB2070** favorable. Representative Corbet seconded the motion. Motion passed.</u>

The meeting was adjourned at 4:31pm.