Approved: April 01, 2015

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairperson Marvin Kleeb at 3:30pm on Tuesday, March 17, 2015, 582-N of the Capitol.

All members were present except:

Representative Don Hineman – Excused

Representative Marc Rhoades – Excused

Representative Kasha Kelley – Excused

Committee staff present:

Phyllis Fast, Kansas Legislative Committee Assistant

Chris Courtwright, Legislative Research Department

Scott Wells, Office of Revisor of Statutes

Conferees appearing before the Committee:

Eric Stafford, Kansas Chamber of Commerce

Steven Anderson, Kansas Policy Institute

Luke Bell, Kansas Association of Realtors

Melissa Wangemann, Kansas Association of Counties

Larry Baer, League of Kansas Municipalities

Others in attendance:

See Attached List

Hearing on: HB2399 — Increasing sales and compensating use tax rates to 6.3%.

Chairman Kleeb opened a hearing on HB2399.

Scott Wells briefed the Committee on **HB2399**. He stood for questions.

No testimony in support of or neutral for **HB2399** was presented.

Eric Stafford presented testimony in opposition to <u>HB2399</u> indicating the Chamber's position to "oppose any attempts to roll back the tax cuts of 2012 & 2013". He stood for questions. (Attachment 1)

Steven Anderson presented testimony in opposition to **HB2399** concerning "the high tax rate approach of the past". He stood for questions. (Attachment 2)

Written only testimony in opposition to **HB2399** was presented by Ashley Jones-Wisner, KC Healthy Kids. (Attachment 3)

When all questions from the Committee were answered, Chairman Kleeb closed the hearing on **HB2399**.

<u>Hearing on: HB2400 — Repealing the local ad valorem tax reduction fund.</u>

CONTINUATION SHEET

MINUTES of the Committee on Taxation at 3:30pm on Tuesday, March 17, 2015, 582-N of the Capitol.

Chairman Kleeb opened a hearing on **HB2400**.

Scott Wells briefed the Committee on **HB2400**. He stood for questions.

Luke Bell presented testimony in support of <u>HB2400</u> "which would eliminate the obligation of the state to transfer state income and sales tax revenues to subsidize local government spending". He stood for questions. (Attachment 4)

Steve Anderson presented testimony in support of **HB2400** indicating that "Local Ad Valorem Tax Relief (LAVTR) ... has not been funded since 2003". He stood for questions. (Attachment 5)

No testimony neutral for **HB2400** was presented.

Melissa Wangemann presented testimony in opposition to <u>HB2400</u> indicating "the legislature may want to consider reinstating LAVTR", "should the state begin experiencing greater prosperity". She stood for questions. (<u>Attachment 6</u>)

Larry Baer presented testimony in opposition to <u>HB2400</u> indicating LAVTR's lack of funding "is a result of various budget and tax decision made ... (as) a direct result of the weak economy". He stood for questions. (Attachment 7)

Written only testimony in opposition to <u>HB2400</u> was presented by Mike Taylor, Wyandotte County & Kansas City United Government. (Attachment 8)

When all questions from the Committee were answered, Chairman Kleeb closed the hearing on **HB2400**.

The meeting was adjourned at 4:52pm.