

BOARD OF COUNTY COMMISSIONERS

210 N. KANSAS

ELLSWORTH COUNTY

ELLSWORTH, KANSAS 67439-3118

March 13, 2015

Les Donovan, Chairman
Assessment & Taxation Committee
State Capital
Topeka, KS 66601

RE: SENATE BILL 257
HEARING ON 03/16/2015

Mr. Donovan:

Due to the fact that our County Commissioner meeting is held on Monday, March 16, 2015, we will not be able to attend the hearing on Senate Bill 257 to be held on the same day. Therefore, we have asked our County Appraiser, Carl Miller, to attend the meeting and give testimony on the proposed bill.

We are a proponent of the bill but would also like to add a suggested amendment to the bill.

We are attaching some information on the two current windfarms in our county as to the funds generated for the in lieu of money and the contracted time frame for those payments. Also, we are attaching the suggested amendment we would propose.

Thank you for your time and sincerely hope that Mr. Miller will be given the opportunity to address your hearing.

Sincerely,

ELLSWORTH COUNTY BOARD OF COMMISSIONER


Albert W. Oller, Chairman


Kermit Rush, Commissioner


Terry L. Kueser, Commissioner

ELLSWORTH COUNTY

WINDFARM

IN LIEU OF PAYMENTS

SMOKY HILL WINDFARM

Phase I Payment **\$100,000 Per year**

This payment is distributed as the ad valorem tax is distributed with the schools, fire districts, townships, county and state receiving a distribution.

Phase II Payments **\$147,321.42 Per year**

Payment goes directly to the General Fund to offset taxes.

Payments will run from 2008-2017

POST ROCK WINDFARM

Payment **\$470,400 Per Year**

Payment goes directly to the General Fund to offset taxes

Payments will run from 2012-2022

TOTAL IN LIEU OF TAXES RECEIVED \$717,721.42

All payments are based on installed MW's,

KSA 79-201 eleventh
PROPOSED AMENDMENT
(EXPANDING FROM SB ~~455~~ *257*)

Statement – Renewable energy resources or technologies. We support amending (as stated below) KSA 79-201 eleventh property exempt from taxation; renewable energy resources or technologies. 2015

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of persons who are bound by vows to a religious life and who conduct or assist in the conduct of religious services and actually and regularly engage in religious, benevolent, charitable or educational ministrations or the performance of health care services.

Eleventh. For all taxable years commencing after December 31, 1998, all property actually and regularly used predominantly to produce and generate electricity utilizing renewable energy resources or technologies. For purposes of this section, "renewable energy resources or technologies" shall include wind, solar, photovoltaic, biomass, hydropower, geothermal and landfill gas resources or technologies. Any exemption granted pursuant to the provisions of this subsection shall be in effect not more than 10 taxable years immediately following the taxable year in which the property is first used to produce and generate electricity. Said "renewable energy resources or technologies" shall be considered and classified as utilities, and shall be subject to appraisal by the Kansas Department of Revenue, Property Valuation Department, and shall have the assessment rate of 33%.

Twelfth. For all taxable years commencing after December 31, 2001, all personal property actually and regularly used predominantly to collect, refine or treat landfill gas or to transport landfill gas from a landfill to a transmission pipeline, and the landfill gas produced therefrom. The provisions of this section, except as otherwise more specifically provided, shall apply to all taxable years commencing after December 31, 2009.

Sec. 2. K.S.A. 2013 Supp. 79-201 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

Amended Reasons

Statute is currently neither fair nor equitable; the amendment would clarify and make this statute fair for all Kansas taxpayers and local taxing entities.