

March 13, 2015

The Honorable Marvin KleeB, Chairperson  
House Committee on Taxation  
Statehouse, Room 185-N  
Topeka, Kansas 66612

Dear Representative KleeB:

SUBJECT: Fiscal Note for HB 2409 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2409 is respectfully submitted to your committee.

Under current law, the first \$20,000 of appraised valuation of residential property is exempted from the statewide 20-mill school property tax levy. HB 2409 would remove this exemption.

Passage of HB 2409 would increase property tax revenues by removing a current property tax exemption. The Department of Revenue estimates this bill would increase property tax revenues by \$45,211,365 in FY 2016 that school districts would receive through the state's uniform mill levy. The actual amount of increase property revenue would likely be reduced by approximately 2.0 percent from uncollected property taxes from delinquent taxpayers. The continuation of the exemption for the first \$20,000 of appraised valuation of residential property is reflected in *The FY 2016 Governor's Budget Report*.

Sincerely,



Shawn Sullivan,  
Director of the Budget

cc: Jack Smith, KDOR  
Dale Dennis, Education