

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman John Edmonds at 9:00 a.m. on January 27, 2004 in Room 519-S of the Capitol.

All members were present except:

Representative John Faber- excused  
Representative Lana Gordon- excused  
Representative Nancy Kirk- excused  
Representative Tom Sawyer- excused

Committee staff present:

Chris Courtwright, Legislative Research Department  
Martha Dorsey, Legislative Research Department  
Gordon Self, Revisors of Statutes  
Carol Doel, Committee Secretary

Conferees appearing before the committee:

Don Moler, League of Kansas Municipalities  
John Zutavern, Mayor Abilene  
Don Denney, Unified Government of Wyandotte County, KCKS

Others attending:

See Attached List

Chairman Edmonds opened the meeting asking for any bill introductions. Representative Goico wished to introduce a bill establishing standards for bill appraisal personnel.

With no objections, that will be accepted for introduction.

The Chairman recognized Representative Huntington who requested an amendment to the mortgage registration act.

Hearing no objections, the committee will accept that for introduction.

Chairman Edmonds asked for the revision of last year's bill on occupation tax.

This was also accepted for introduction.

With no further bill introductions, the Chairman opened the floor for hearing on **HB 2284** (bill by Local Government, City, and County income tax; authority to impose.

Don Moler, Executive Director of League of Kansas Municipalities, testified as a proponent to **HB 2284** which is a bill requested by the League of Kansas Municipalities which will allow cities and counties to levy a local income tax. The tax would "piggyback" on the Kansas State Income Tax, and therefore would not require a new tax code. The maximum rate that any city or county could impose would be set at 5% of the net tax due the state. (Attachment 1)

Next to address the committee in support of **HB 2284**, **HB 2285** and **HB 2344** was John R. Zutavern, Commissioner from the City of Abilene, Kansas. **HB 2284** would authorize a city and county income tax. **HB 2285** will remove the cap on local sales tax issues, and **HB 2344** will authorize the collection of a local motor fuels tax. Although these are tax increases, it will expand our taxing sources at local level from property, sales, and franchise fees. It is their feeling that it should translate to a more equitable distribution of the tax liability to our citizens. (Attachment 2)

Also testifying before the committee in support of **HB 2284** was Mr. Don Denney, lobbyist/medial relations specialist, representing the Unified Government of Wyandotte County, Kansas City, Kansas. The Unified Government believes **HB 2284** will provide a significant alternative revenue source for cities and counties