Office of the Secretary 109 SW 9th Street Topeka, KS 66612-1588



phone: 785-296-3041 fax: 785-368-8392 www.ksrevenue.org

Sam Williams, Acting Secretary

Sam Brownback, Governor

To:

House Appropriations Committee

From:

Sam Williams, Acting Secretary of Revenue

Date:

February 8, 2017

Subject: House Bill 2133 Testimony

Chairman Waymaster and Members of the Committee:

Thank you for the opportunity to provide testimony in support of House Bill 2133. In my previous life I was asked by the Governor to serve as the chair of a task force formed to review the Consensus Revenue Process. This task force was made up of CPAs and financial professionals.

At the conclusion of several meetings the task force issued a report with several recommendations. Most of the recommendations could be instituted by process improvement. Several of those recommendations have been instituted or will be. The task force learned that two of its recommendations would require statutory change. HB2133 addresses one of the recommendations.

The task force learned that the Spring Consensus Revenue Estimate was due April 20. That date is so close to the due date for income tax filing that the receipts were not able to be determined in time to allow their use in the CRE process. The task force recommended that the due date be moved to early May to allow for inclusion of actual receipts in the CRE process.

Now, in my role as Acting Secretary of Revenue, I see up close and personal the importance of having this change in timing. A significant portion of tax receipts will be deposited with the State on the filing date in April. Allowing the Department of Revenue to include those actual numbers in the CRE process will contribute significantly to our understanding of the current reality of state receipts. With that understanding and implementation of several other recommendations the CRE reliability will be increased significantly.

I know that this change will be problematic for calendaring and I appreciate the consideration to endure that pain. The payoff will be a CRE process that is much more reliable.

Thank you.