

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman John Edmonds at 9:00 a.m. on January 28, 2004 in Room 519-S of the Capitol.

All members were present except:

Representative John Faber- 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:

Marlee Carpenter, Kansas Chamber of Commerce
Karl Peterjohn, Kansas Tax Payers Network
Randy Allen, Executive Director of Kansas Assoc of Counties
Don Moler, League of Kansas Municipalities
Michael Pepoon, Sedgwick County
Erik Sartorius, City of Overland Park
April Holman, Kansas Action for Children
Tom Palace, Petroleum Marketers Assoc.
Deann Williams, Kansas Motor Carriers, Assn.

Others attending:

See Attached List.

Chairman Edmonds opened the floor for bill introductions. Representative Larkin introduced a bill that would eliminate request for exemption filing requirements to retain exemptions already granted for certain personal property of non-profits.

Representative O'Malley asked for the introduction of a bill that would give a sales tax exemption for the Heartstrings Community Foundation.

Without objections, that bill will be introduced.

The Chairman opened the floor for continued hearings on **HB 2284, HB 2285, and HB 2344.**

Having heard the proponents on January 27th, Chairman Edmonds recognized Marlee Carpenter, Kansas Chamber of Commerce and Industry as an opponent to **HB 2284**. In her testimony, Mrs. Carpenter, stated that this bill would allow local cities and counties to levy a local individual and corporate income tax. The Kansas Chapter believes that the enactment of a local income tax would add to the burden and complexity of doing business in Kansas. (Attachment 1)

The second conferee to address the committee as an opponent to **HB 2284, HB 2285 and HB 2344** was Mr. Karl Peterjohn, Kansas Taxpayers Network. It is there feeling that **HB 2284** would create a new income tax at the local level which would worsen our high tax status and hurt this state's economy. (Attachment 2)

Next Mr. Peterjohn, also as an opponent, addressed **HB 2285** stating that this would make it easier to expand our already high overall sales tax rate by making it easier for local units to raise city or county sales taxes, and that expanding local units' taxing authority during a recession is not a cure for this state's economic problems. (Attachment 3)

Mr. Peterson also testified as an opponent to **HB 2344** stating that Kansans already pay a lot more for gasoline than the folks in all of our neighboring states with the exception of Nebraska. It is the feeling of the Kansas Taxpayers Network that **HB 2344** would make our current bad situation worse by making it easier to expand our already high overall gasoline tax rate by allowing cities and counties the ability to create as much as 3