

March 16, 2020

Regarding: Testimony to House Taxation Committee

Proponent Testimony of:

Kelly Estes

CEO

BTI Corporation

115 W. Railroad

Bucklin, Ks. 67834

I want to express concerns regarding my experience with property taxes in our Business and how I personally started to see the problems not only for my business but for other small and large businesses in Kansas. These unfair high taxes also really impact individual homeowners and especially retirees on a fixed income. Basically, anyone trying to live in Kansas is being taxed out of their properties and risk losing their life-long family businesses and homes.

Please consider this SB 294. This isn't the only answer or fix to our problems, but it is a very good start in the right direction. Hopefully, we will finally get some accountability and transparency and fix a few of the problems in our fine State. I understand why Counties, Cities and any other taxing entity wouldn't want this bill because no one likes to be held accountable. If they can have an open checkbook from the taxpayers and no one cares, or seems to care, it causes what we are seeing in all of Kansas today. I believe at one time people thought this only pertained to rural areas with less population, but after serving on a committee to collect the data and opinions of all areas, I quickly realized it is not just limited to where I reside, or have my businesses.

I had an opportunity to meet with Farmers, Bankers, Appraisers, all types of businesses (small and large), K-State for land use values, County officials, City officials, PVD, and I attended several meetings with individuals that were impacted by Property taxes in Kansas. This took several months and quite a bit of time from many participants. I was very impressed with their willingness to contribute their time and their possible solutions to a proper fix for Kansas.

SB294 has as its base The Utah Property Tax Solution and this has been in place for some time. They have held their effective tax rates between 1.25% to 2.50 % and Kansas currently in 105 counties is from 3.75% t. 6.75%. In other words, we (Kansas) are not seeing the Utah levels of accountability with taxpayer funds. Additionally, there is no budget or Statute in place that keep Counties and Cities from overspending and over taxing their citizens. In many instances they have put back a huge cash reserve but then they keep raising assessments!

Kansas has about the same population as Utah 3M people to 3.2M people. In Kansas we have given so many exemptions and loopholes for taxes that currently we have about 1.3 M people that currently pay no Property tax at all! In other words, "to many people not paying their fair share". There are many solutions and ideas that businesses and other entities have, but this one seems the best one to head us down the right path. This SB 294 gives ample time for everything to catch up with the over assessed values, or mil levy situations in our State.

Please consider this Bill Seriously and make everyone more transparent if the need arises to raise revenue through property tax. This will be a good start and hopefully the tip of the iceberg towards fixing what has taken many years to get us to this unsustainable taxation situation!

I believe this bill should be Call "Wake Up Kansas". It is time to fix this situation and stop the loss of our elderly, our taxpayers, and our valuable businesses. Together, let's establish ourselves as a State of responsibility in taxation and show that Kansas cares about our citizens and their wellbeing.

Please vote in favor of SB 294 ensure its passage.

Sincerely,  
Kelly Estes  
CEO  
BTI Corporation