

April 8, 2020

The Honorable Caryn Tyson, Chairperson
Senate Committee on Assessment and Taxation
Statehouse, Room 123-E
Topeka, Kansas 66612

Dear Senator Tyson:

SUBJECT: Fiscal Note for SB 502 by Senate Committee on Assessment and Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning SB 502 is respectfully submitted to your committee.

SB 502 would create an individual income tax checkoff program for the benefit of state-owned historical sites. Taxpayers would have the option of adding a donation on their Kansas individual income tax form to the Kansas Historic Site Fund in the amount of \$1, \$5, \$10, or any other amount. The taxpayer would be able to choose the specific state historical site that would receive the donation. All monies collected would be used solely for the purpose of the operation, maintenance, and preservation of the state-owned historic site of the taxpayer's choice. All expenditures would be administered by the State Historical Society.

The Department of Revenue indicates SB 502 would have no fiscal effect on State General Fund revenues. The Department of Revenue and the State Historical Society are unable to estimate the amount of revenue that would be generated as a result of this new checkoff program. The State Historical Society indicates that any additional monies received from this new checkoff program would be used for the operation, maintenance, and preservation of the state-owned historic sites and could be administered within existing staff levels. The State Historical Society indicates that it would require \$250 from its agency fee funds in FY 2021 to set up the accounting system to manage the revenue received from the checkoff program.

The Department indicates that the bill would require \$25,738 from the State General Fund in FY 2021 to implement the bill and to modify the automated tax system. The required programming for this bill by itself would be performed by existing staff of the Department of

Revenue. In addition, if the combined effect of implementing this bill and other enacted legislation exceeds the Department's programming resources, or if the time for implementing the changes is too short, additional expenditures for outside contract programmer services beyond the Department's current budget may be required. Any fiscal effect associated with SB 502 is not reflected in *The FY 2021 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "L. L. Campbell". The signature is fluid and cursive, with a large initial "L" and a long, sweeping underline.

Larry L. Campbell
Director of the Budget

cc: Lynn Robinson, Department of Revenue
Matthew Chappell, Historical Society