



To: House Taxation Committee
From: Kansas Association of Wheat Growers
Subject: Proponent Testimony on S.B. 13
Date: January 20, 2021

Chairman Smith and members of the House Taxation Committee, thank you for the opportunity to present written proponent testimony today on S.B. 13 on behalf of the Kansas Association of Wheat Growers (KAWG). The organization represents Kansas wheat farmer interests on legislative and regulatory issues.

Our farmers across the state pay millions of dollars in property taxes that support government functions and programs. These property taxes are often a large portion of our farmers' operations' fixed costs and can have a direct effect on their profitability.

Senate Bill 13 makes sure that the valuation for all real property shall not be increased solely as a result of normal repair, replacement or maintenance of structures, equipment or improvements on the property. This allows our farmers to keep their property updated and working efficiently, without running the risk of having a prohibitive increase in the valuation of that property. The bill encourages property owners to invest in their property, is practical and is good public policy.

Senate Bill 13 also discontinues the property tax lid for both cities and counties. While the tax lid was created with good intentions, it increased property taxes in some areas as they raised mill levees to the lid because of their inability to raise them later. This has created areas that have higher property taxes than necessary. Moving away from the property tax lid in favor of the more transparent model could not only lower property taxes but would shift responsibility back to the county and city commissioners to determine what is best for their area. It gives each local community the opportunity to provide input in determining the tax needs of their community and have some say in raising property taxes.

For these reasons, the Kansas Association of Wheat Growers supports this bill.

Thank you for allowing us the opportunity to testify in support of Senate Bill 13. We respectfully request that the committee pass the bill out favorably.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Justin Knopf".

Justin Knopf, President
Kansas Association of Wheat Growers
Gypsum, Kansas