



House Taxation Committee

SB 13

An Act concerning property tax rates; relating to tax levy rates; establishing notice and public hearing requirements prior to approval by a governing body to exceed its revenue neutral rate and discontinuing the city and county tax lid; prohibiting valuation increase of real property solely as the result of normal repair, replacement, or maintenance; establishment of a payment plan for the payment of delinquent or nondelinquent taxes.

**Written Remarks by the City of Topeka
Whitney Damron**

January 26, 2021

Chairman Smith and Members of the Committee:

On behalf of the City of Topeka, we appreciate the opportunity to provide written remarks in regard to SB 13 making substantive changes to the state's property tax system, including public notice requirements for establishing property tax rates, a repeal of the existing city and county tax lid and allowing for payment plans for delinquent and nondelinquent taxes.

The City of Topeka believes property tax issues are appropriately set at the local level with public input, by elected city and county officials, but we do recognize that the reliance on property taxes for state and local governments and K-12 education make these decisions to be of statewide importance and interest. We also support transparency in the assessment of taxes and believe the current system accomplishes that.

Since introduction of similar legislation in 2020, there has been considerable attention and discussion of this proposal and the City of Topeka has closely monitored the consideration of these proposals.

The City of Topeka provided neutral testimony on SB 13 as introduced into the Senate Committee on Assessment and Taxation and expressed support for several amendments proposed by the League of Kansas Municipalities. One of those amendments relating to allocation of printing and mailing costs for notifying taxpayers of increased spending proposals by a taxing subdivision and we are appreciative of that accommodation.

The City supports a repeal of the state-imposed tax lid on cities and counties contained in SB 13, transparency in tax rates for all taxing subdivisions and the authority for a county to enter into a payment plan for a delinquent or nondelinquent taxpayer.

From a practical standpoint, the changes contained in SB 13 will create challenges to local units of government in regard to the timing of hearings, setting of budgets and the mill levy, particularly in the first year of implementation at a difficult time for all levels of government where the continuing impact of Covid-19 takes priority over other matters.

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Accordingly, we believe it would be appropriate to delay the implementation of SB 13 to January 1, 2022 rather than the current implementation date contained in the bill (Publication in the *Kansas Register*). We would also support delaying a repeal of the state-imposed tax lid to that date as well.

The City of Topeka appreciates the spirit in which SB 13 is proposed and we are committed to working with the parties of interest on legislation that is workable for all parties.

Thank you for your consideration of our remarks at this early stage of the 2021 legislative session.

WBD