

**SB 76 Neutral Testimony - written only**  
**Senate Committee on Assessment and Taxation**  
**Establishing the Golden Years Homestead Property Tax Freeze Act**  
**Dave Trabert, CEO**  
**March 11, 2021**



Chairwoman Tyson and Members of the Committee,

We appreciate this opportunity to submit neutral testimony on SB 76, which establishes the golden years homestead property tax freeze act to provide a refund for specific increases in residential property taxes.

Seniors undeniably need property tax relief, as some tell us they are being forced to sell their homes because they don't have the income to pay Kansas' outsized property tax. A recent study by the Lincoln Institute of Land Policy shows Kansas has the highest effective property tax rate in the nation for rural homeowners. The owner of a \$150,000 home in Iola, Kansas pays almost three times as much as in Tennessee and Utah.

2019 Property Tax Effective Tax Rate (ETR) National Rankings				
Classification	Largest Rural Area	Tax Owed	Effective Tax Rate	ETR Rank (1=highest)
Rural Homestead \$150,000	Iola KS	\$ 2,958	1.972%	#14
Rural Homestead \$150,000	Savannah, TN	\$ 1,009	0.673%	#42
Rural Homestead \$150,000	Richfield, UT	\$ 1,048	0.699%	#40
Urban Homestead \$150,000	Wichita, KS	\$ 1,776	1.184%	#27
Urban Homestead \$150,000	Nashville, TN	\$ 1,183	0.789%	#41
Urban Homestead \$150,000	Salt Lake City, UT	\$ 1,097	0.731%	#45

The 2019 taxes owed in Iola were \$2,958 versus \$1,009 in Tennessee and \$1,048 in Utah.

However, rebating a portion of property taxes through income tax receipts that would otherwise flow through the State General Fund causes a tax shift. Unless SGF spending is reduced to offset the cost of the rebates, additional pressure is placed on sales and income tax.

SB 76 also effectively subsidizes high property taxes assessed by cities, counties, and school districts, and removes pressure on those entities to reduce unnecessary spending.

For these reasons, our position on SB 76 is neutral.

Thank you for your consideration.