

February 3, 2021

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 98 by Senate Committee on Assessment and Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning SB 98 is respectfully submitted to your committee.

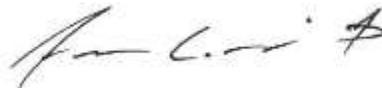
Under current law, a taxpayer has the option to appeal any summary decision or full and complete opinion of the Board of Tax Appeals (BOTA) that would allow for a new trial with the district court. SB 98 would place the burden of proof on the county appraiser to initiate the production of evidence to demonstrate the validity and correctness of the property valuation or classification of residential or commercial property before the district court.

Under current law, a member of BOTA is allowed to continue to serve for up to 90 days after the expiration of their term or until a successor has been appointed and confirmed, whichever is shorter. The bill would allow a member of the BOTA to continue to serve for up to 180 days after the expiration of their term.

The Kansas Association of Counties indicates that SB 98 has the potential to increase costs for county governments by shifting the burden of proof to the county for appeals by the taxpayer to the district court on matters of valuation or classification. The Association indicates that this has the potential to prompt taxpayers to pursue cases even when the evidence is not in their favor, as they no longer have the burden of proof to demonstrate why the BOTA ruling was wrong in a new trial before the district court. The Association does not know how many new cases would be appealed to the district court or how complex that those cases would be to provide an estimate of any increased costs for county government.

The Department of Revenue, BOTA, and the Office of Judicial Administration indicate that the bill would have no fiscal effect on their operations. The League of Kansas Municipalities indicates that since cities are not involved in the valuation process, there would be no fiscal effect for cities. BOTA indicates that the bill has the potential to prevent a backlog of cases by allowing a member of BOTA to continue to serve up to 180 days after the expiration of their term.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt
Director of the Budget

cc: Lynn Robinson, Department of Revenue
Jody Allen, Tax Appeals
Wendi Stark, League of Municipalities
Jay Hall, Association of Counties
Craig Neuenswander, Education
Debbie Thomas, Judiciary