

SESSION OF 2021

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2104

As Amended by House Committee on Taxation

Brief*

HB 2104, as amended, would exempt non-profit educational institutions from paying sales tax on purchases related to the building, maintenance, and enlargement of facilities used to house non-students of the institution. An existing sales tax exemption for such institutions excludes facilities used primarily for human housing.

The bill would be in effect upon publication in the *Kansas Register*.

Background

The bill was introduced by the House Committee on Taxation at the request of Steve Greene on behalf of the Cerebral Palsy Research Foundation of Kansas.

House Committee on Taxation

In the House Committee hearing, **proponent** testimony was provided by representatives of the Cerebral Palsy Research Foundation of Kansas. Written-only **proponent** testimony was provided by a representative of InterHab.

No neutral or **opponent** testimony was provided.

The House Committee amended the bill to change its effective date to upon publication in the *Kansas Register*.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Fiscal Information

According to the fiscal note prepared by the Division of the Budget, as introduced, the Department of Revenue indicates that in FY 2022, the bill would decrease State General Fund revenue by \$45,400, State Highway Fund revenue by \$8,800, and local sales tax revenue by \$8,300. The Department expects the bill would have a similar effect in future tax years as well.

Any fiscal effect associated with the bill is not reflected in *The FY 2022 Governor's Budget Report*.

Taxation; sales taxation; exemptions