

SESSION OF 2021

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2313

As Recommended by House Committee on
Taxation

Brief*

HB 2313 would extend a vehicle property tax exemption for up to two motor vehicles to all current members in good standing of the Kansas Army National Guard, Kansas Air National Guard, or U.S. military reserve forces stationed in Kansas, beginning in tax year 2022. Under current law, members of the Kansas Army National Guard, Kansas Air National Guard, or Kansas reserve forces of the U.S. military receive the exemption only when stationed or assigned in Kansas under authority of Title 10 or 32 of the U.S. Code.

Background

The bill was introduced by the House Committee on Veterans and Military at the request of the Enlisted Association of the National Guard of Kansas and referred to the House Committee on Taxation.

[*Note:* The bill is identical to 2020 HB 2486 and contains provisions substantially similar to 2018 HB 2559. Both prior bills died in House Committee.]

House Committee on Taxation

In the House Committee hearing, **proponent** testimony was provided by a representative of the Enlisted Association of the National Guard of Kansas, who stated it is unfair to

*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>

provide active duty military or guard reserve members with an exemption while excluding other Kansas airmen and soldiers, given that all of them help protect Kansas.

No other testimony was provided.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget, the Department of Revenue indicates enactment of the bill could reduce state revenues by as much as \$27,288 for FY 2022, with \$18,192 from the Educational Building Fund and \$9,096 from the State Institutions Building Fund, and would also decrease revenues to local governments that levy property tax by an amount not calculated by the Department. The bill would require \$720 for Department administrative costs from the State General Fund for FY 2022. Any fiscal effect associated with the bill is not reflected in *The FY 2022 Governor's Budget Report*.

Property taxation; exemptions; motor vehicles; military