

Approved: 3-19-2007
Date

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Vice-Chair Richard Carlson at 9:00 A.M. on February 15, 2007 in Room 519-S of the Capitol.

All members were present except:

Representative Wilk - E
Representative Davis - E

Committee staff present:

Chris Courtwright, Legislative Research Department
Martha Dorsey, Legislative Research Department
Gordon Self, Office of Revisor of Statutes
Rose Marie Glatt, Committee Secretary

Conferees appearing before the committee:

Representative Tom Holland
Mike Taylor, Unified Government Wyandotte County
George Lippincott - AARP (written only)

Others attending:

See attached list.

Vice-Chair Carlson asked Chris Courtwright to brief the Committee on the bill. He acknowledged Peggy Hannah, from the Treasurer's office, who was in attendance to answer any Committee questions.

HB 2298 - Providing property tax deferrals on certain real property owned by persons 65 years of age or older.

Chris Courtwright said that **HB 2298** would enact a senior citizen property tax deferral act. The bill provides a mechanism for certain seniors, on their principal place of residence, which would allow them to defer all or a portion of their property taxes, for the rest of their lives. He explained specific details of the bill, which will sunset in three years. The fiscal note is revenue neutral.

Representative Tom Holland, a chief sponsor of **HB 2298**, said this program is one way to give relief to seniors, who are struggling to stay in their homes, due to increased valuation in high growth areas. Property tax is the number one issue and concern for seniors in his district. He stated that he had worked with Matt Goddard, Vice President, Heartland Community Bankers Association in the development of the bill, and that it was understood that the bill was not competitive with private business, since it deals with property taxes only. He explained a spreadsheet that was based on a scenario of a homeowner who had experienced an increased valuation on their home from 1999 to 2006. He reviewed property taxes, appraised value, followed by 3 different payback scenarios for a particular property. He said he could be flexible on specifics in the bill, and that the bill does not require a constitutional change or would not disrupt local governments. He encouraged the Committee to consider the bill (Attachment 1).

Mike Taylor, Unified Government Wyandotte County, appeared in support of **HB 2298**. He said that although Wyandotte County had lowered the Unified Government tax rate 25% in the last 10 years, the increasing assessed values and mill levy hikes by other taxing entities make it difficult to reduce the actual amount of dollars paid for the total tax bill. He suggested that if the bill goes forward they might consider some kind of income limits, to assure that the people for whom the bill is intended are the people accepted into the program (Attachment 2).

It was noted that George Lippincott, from AARP had submitted written testimony (Attachment 3).

Seeing no other conferees, the Vice-Chair closed the public hearing on **HB 2298**.

The meeting was adjourned at 10:10 a.m. The next meeting is February 16, 2007.