

STATE OF KANSAS

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TOPEKA
SENATE CHAMBER

MARK STEFFEN, M.D.
SENATOR 34TH DISTRICT
3500 N. MAYFIELD RD.
HUTCHINSON, KS 67502

January 23, 2023

Esteemed Senators,

Senate bill SB8 came to being at the request of my constituents. Universally, the complaint is the excessive penalty for unintentionally having a personal property tax payment deadline pass. The penalties do accrue in a predatory fashion.

Issues to consider:

- 1) Personal property taxes are a nuisance and annoyance.
- 2) The penalties are excessive. The highest interest-bearing cash account available from Fidelity pays 0.29% per month. The penalty is at 5% per month. This is 17X the monthly rate.
- 3) These excessive penalties do not work as nearly a third of personal property taxes in the counties in Senate District 34 are assessed a late payment penalty.
- 4) It appears that what we have here is a failure to communicate.
- 5) Bottom line- This bill maintains penalties that are many times beyond what sitting on the cash could earn an individual so inclined. Yet, the bill puts the impetus on the county tax collectors to create a better system to serve their employers rather than a punitive fine where no intent to avoid payment was intended or even makes any financial sense.

I encourage the committee's support of this tiny amount of bureaucratic relief. Thank you.

Senator Mark B. Steffen, M.D.

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