

To: Kansas Senate Taxation Committee

January 8, 2024

RE: SB196 - Local Ad Valorem Tax Reduction (LAVTR)

I support Kansas SB196 – Local Ad Valorem Tax Reduction (LAVTR), the returning of money from the state back to local governments. As a homeowner of 2 homes, one that we live in and the other we've rented for the past 28 years, I am familiar with how the increases in property tax affect me personally and how they affect my tenants. From 2017-2022, our property taxes have increased 24.6% for our rental property (\$40 a month) and 31.4% (\$100 a month) for our home. Our tenant is over 85 and on a fixed income, so increasing the rent any further would be a burden. We are worried that we may be forced to sell the property because we don't want to raise the rent. SB196 could lower our property taxes by 8.5%, giving us the wiggle room that we need to afford keeping our rental property.

In addition to being a homeowner, I serve as a Volunteer Income Tax Assistance (VITA) volunteer. We prepare about 150 claims for property tax relief every year through the Kansas Homestead program for Leavenworth county low income seniors. I can say with certainty that SB196 would have an impact on whether many of these clients can afford to pay their property taxes on time and remain in their homes.

For the 2022 tax year, we helped more than 75 clients apply for tax relief on the DOR K-40SVR form, which gave seniors and disabled veterans and their spouses a rebate of the increase of their property tax from 2021 to 2022. All of our clients had to pay their property tax in full when it was due and apply for a partial refund when filing their taxes. They waited patiently for their refunds and then called us to let us know that 2 months later they still had not received their refunds even though the 2nd half of their property taxes were due in May. These clients need relief before their taxes are due, not after paying their property taxes in full. SB196 could allow counties to help the most vulnerable homeowners by reducing their property tax before it becomes due.

SB196 could have a real impact on the cost of housing in the state of Kansas. If property tax relief is provided through LAVTR before taxes are due to be paid, the need for many of the Homestead applications and refunds from the state could be reduced.

Respectfully,

Barbara Bormolini
Leavenworth, KS
(913)683-3100
babsbormo@yahoo.com