



Mark Tomb
Vice President of Governmental Affairs
Kansas Association of REALTORS®
3644 SW Burlingame Rd.
Topeka, KS 66611
785-414-5155
mark@kansasrealtor.com

To: House Taxation Committee
From: Mark Tomb, VP of Governmental Affairs
Date: 3/20/2024

Re: Testimony in Support of SB 536

On behalf of the Kansas Association of REALTORS® (KAR), thank you for the opportunity to provide written testimony in support of SB 536, legislation that would require political subdivisions to adopt a budget that remains at or below revenue neutral and use funds to reduce property tax in order to receive local ad valorem tax reduction fund (LAVTRF) distributions.

The Kansas Association of REALTORS® represents over 11,000 members involved in residential, agricultural and commercial real estate and has advocated on behalf of the state's property owners for more than 100 years. REALTORS® serve an important role in the state's economy and are dedicated to working with our elected officials to create better communities by supporting economic development, a high quality of life and providing affordable housing opportunities while protecting the rights of private property owners.

REALTORS® believe that real estate is burdened with an excessive share of the constantly increasing cost of state and local government. While we realize the importance of many programs funded through property tax revenues, we believe tax revenues should be equitably collected from a variety of sources and encourage taxing jurisdictions to consider the negative impact to the housing market associated with any potential increase in property tax rates.

The Local Ad Valorem Tax Reduction Fund is a state revenue sharing program that ended more than 20 years ago yet still retains a confusing and unnecessary place in state law. KAR has advocated for the removal of this statutory language as this is revenue that local governments are no longer expecting and that the state is not likely to fund in the same way ever again. Any new incarnation of a revenue sharing program would need to have more effective local parameters that actually tie a reduction of property taxes to any sharing of state revenue. KAR is encouraged by the discussion brought by SB 536 because it would place a requirement on local governments to remain revenue neutral or lower and for those local governments to utilize LAVTRF transfers to reduce property taxes.

In conclusion, KAR supports the new requirements for LAVTRF transfers included in this legislation and is encouraged by SB 536 and similar proposals that would reduce the ever-increasing property tax burden for Kansans. We ask that this Committee act on SB 536 favorably. Thank you for your time and consideration of our testimony.