



Since 1894

Date: March 20, 2024

To: House Committee on Taxation

Rep. Adam Smith, Chair

From: Aaron M. Popelka, V.P. of Legal and Governmental Affairs, Kansas Livestock Association

Re: **HB 2844 AN ACT concerning taxation; modifying income tax rates for individuals, increasing the standard deduction and the Kansas personal exemption, increasing the income limit for an income tax subtraction modification for social security income, increasing the extent of property tax exemption for residential property from the statewide school levy, decreasing the privilege tax normal tax rate, abolishing the local ad valorem tax reduction fund and the county and city revenue sharing fund and decreasing the rate of ad valorem tax imposed by a school district.**

Position: Proponent, In-Person

The Kansas Livestock Association (KLA), formed in 1894, is a trade association representing more than 5,700 members on legislative and regulatory issues. KLA members are involved in many aspects of the livestock industry, including seed stock, cow-calf, and stocker cattle production; cattle feeding; dairy production; swine production; grazing land management; and diversified farming operations.

Thank you, Chairman Smith, and members of the Committee, for allowing the Kansas Livestock Association (KLA) the opportunity to share our support for HB 2844, a bill that would provide meaningful property tax relief across all classes of taxable property, as well as provide income tax relief. KLA's support for HB 2844 is primarily focused on the broad-based property tax relief the bill provides through the reduction of the statewide mill levy. However, as a general matter, KLA also supports a fairer and simpler income tax code.

In regard to property taxes, KLA policy "supports increased reliance on income tax and other non-property tax sources for support of local school districts," and reducing the reliance of local government on property tax revenues. Reduction of the statewide mill levy is the single most effective means for the state legislature to effect broad-based property tax relief. Although the bill also includes a provision to increase the portion of residential property exempt from the statewide mill levy, residential property is only about 56 percent of all property assessed in Kansas. Reduction of the statewide mill levy would not only help homeowners, but also industry, commercial businesses, farms, and owners of personal property, like vehicles. If possible, KLA would encourage the Committee to consider reducing the 20 mills by more than 2 mills when it works the bill.

KLA appreciates the opportunity to submit testimony in support of HB 2844. We ask that the Committee recommend the bill favorable for passage and consider reducing the statewide mill levy by more than the 2-mill reduction contained in the bill.