

SESSION OF 2018

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2492

As Amended by House Committee of the Whole

Brief*

HB 2492, as amended, would increase the maximum local sales tax rate that could be imposed by Thomas County from 1.50 percent to 1.75 percent, provided all taxes levied in excess of 1.00 percent remain earmarked for financing a courthouse, jail, law enforcement center, or other county administrative facility. Any specially earmarked tax imposed by the bill would be required to sunset when the project costs had been fully paid.

An election would be required for an increase in the current Thomas County sales tax, which is 1.50 percent.

The bill also would extend from five years to ten years the sunset on any 0.5 percent tax imposed by Russell County for economic development initiatives or public infrastructure projects.

The bill would be in effect upon publication in the *Kansas Register*.

Background

The original bill, which dealt only with Thomas County, was introduced at the request of Representative Adam Smith, who also appeared as a proponent at the public hearing of the House Committee on Taxation on January 22. Written-only testimony in support of the bill from the chairperson of the Thomas County Commission explained that an election to

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

increase the sales tax from 1.00 percent to 1.50 percent to finance a new consolidated criminal justice center was approved in November 2017, but bids for the project had come in \$4.0 million greater than the original projected cost. The testimony further stated that if HB 2492 were to be enacted, the county commission would place before voters a subsequent ballot question for an additional 0.25 percent increase. No opponent testimony was presented.

On January 24, the House Taxation Committee amended the bill to advance the effective date from publication in the statute book to publication in the *Kansas Register*.

On February 8, the House Committee of the Whole amended the bill to include the Russell County provision.

According to the fiscal note prepared by the Division of the Budget on the bill as introduced, the bill would have no fiscal effect on state revenues.