Minutes of the House Committee on Assessment and Taxation. The meeting was called to order by E. C. Rolfs, Chairman, at 9:00 a.m. on March 3, 1986 in room 519 South at the Capitol of the State of Kansas.

The following members were absent (excused):

Representatives Crowell and Leach

Committee staff present:

Tom Severn, Legislative Research Melinda Hanson, Legislative Research Don Hayward, Reviser of Statutes Millie Foose, Committee Secretary

Vic Miller, Director of the Property Valuation Division, spoke as a proponent on HB-3013, an act concerning the assessment and taxation of certain property of public utilities. Attachment 1). Mr. Charles Burkhart, Department of Revenue, and Mr. Ed Schaub, representing Southwestern Bell Telephone Company, also spoke as proponents of HB-3013.

Mr. Bill Edds, General Counsel, Department of Revenue, requested the committee's favorable approval of HB-3017, an act relating to the taxation of national banking associations, state banks, trust companies and savings and loan associations. (Attachment 2) Mr. Stones, Kansas Bankers Association, and Mr. Turner, Savings & Loan Association, also supported this legislation. This concluded the public hearing on HB-3017.

Dr. Severn explained HB-3067, an act relating to income taxation; concerning itemized deductions of an individual; concerning the rate imposed upon individuals. Mr. Harley Duncan, Director Department of Revenue, defined the term "Kansas Adjusted Gross Income" and supplied charts illustrating the impact by bracket that adoption of HB-3067 would have on individual income taxes in 1986. (Attachments 3 and 4)

Representative Wagnon moved, second by Representative Wunsch, that $\underline{\text{HB-3013}}$ be reported favorably and put on the consent calendar. The motion carried.

Representative Lowther moved, second by Representative Leach. $\frac{\text{that} \quad \text{HB-3017}}{\text{calendar}, \quad \text{The} \quad \text{motion carried}.} \quad \frac{\text{favorably and put}}{\text{on} \quad \text{the}} \quad \frac{\text{consent}}{\text{consent}}$

The minutes of February 28 were approved.

There being no further business, the chairman adjourned the meeting.

Ed C. Rolfs, Chairman



KANSAS DEPARTMENT OF REVENUE Division of Property Valuation State Office Building · Topeka, Kansas 66612-1585

Mr. Chairman and members of the committee, I am Vic Miller, Director of the Property Valuation Division. HB 3013 was requested by PVD to eliminate outdated language in K.S.A. 79-5a01(b). Failure to amend the statute casts serious doubt on the State's ability to state assess certain long distance communication carriers and radio common carriers which have been heretofore state assessed. We do not believe this was the intention of the legislature when this language was included in the statute in 1981.

The language we are requesting you strike was originally added to the statute, at the request of Southwestern Bell, to exclude from state assessment the non-regulated activities of a utility and was aimed at excluding Bell's phone stores. Because of the restructuring of Bell, we believe such an exception is now unnecessary. Under the new structure of the company no argument could be made that these stores fall under the purview of state assessment.

However, failure to repeal the language in question may allow others to now successfully argue against state assessment even though this was not the original intent of the law. Deregulation of long distance carriers and radio common carriers in recent years might allow these companies to now argue that they meet the requirements of the statutory exception.

These companies are presently state assessed and we believe they should continue to be. We would respectfully request passage of HB 3013 to clarify this situation.

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MEMORANDUM

TO: Harley T. Duncan

Secretary of Revenue

Re: House Bill No. 3017

Legal Ramification

FROM: William L. Edds

General Counsel

DATE: February 25, 1986

House Bill No. 3017 is recommended by the Legal Services Bureau. The amendments are in conformity with the Bureau's original suggestions. The passage of H.B. No. 3017 makes three changes to the privilege tax statutes. With regard to K.S.A. 79-1107 and 79-1108, it specifies that the time period to be used to measure the privilege tax is a "taxable year" rather than a "calendar or fiscal year." (Secs. 1 and 2) With regard to K.S.A. 79-1109, it adds back federally-exempt interest income to the privilege tax income base. (Sec. 3) Finally, this bill repeals K.S.A. 79-1108a.

The privilege tax was originally conceived to be measured by income for a calendar year with the tax due on April 15th. (L. 1963, ch. 463, § 2) Subsequently, K.S.A. 79-1107 and 79-1108 were amended to permit the use of a fiscal year. (L. 1968, ch. 142, § 1) In 1980, the due date of the privilege tax return was changed from April 15th to $3\frac{1}{2}$ months "following the close of the taxable year." (L. 1980, ch. 309, § 1) All of this gives rise to the reason for the current amendments. If a privilege filer has short taxable years (less than 12 months), it must file two returns under K.S.A. 79-1110. However, the tax for each short taxable year is measured by a full year (the next preceding calendar or fiscal year). This causes income to be counted twice. In addition, the two short taxable years are not calendar or fiscal years which can be used to measure the tax due $3\frac{1}{2}$ months after their end. Finally, although K.S.A. 79-1107 and 79-1108 currently provide that the tax is to be paid "annually", K.S.A. 79-1110 requires the tax to be paid twice in an annual period when there are two short taxable years.

The amendments to K.S.A. 79-1107 and 79-1108 would harmonize these statutes with K.S.A. 79-1110 and prevent the double inclusion or omission of income.

The second change under H.B. No. 3017 would be to require the addition of federally-exempt interest to the privilege tax income base. Interest from certain obligations, such as Puerto Rican bonds, is never included in federal taxable income. Currently, interest is added-back only to the extent it has been deducted in arriving at Kansas taxable income under K.S.A. 79-32,117(c)(i). Because federally-exempt interest is never "deducted," it is not added back under K.S.A. 79-1109.

 $\mbox{K.S.A.}$ $79\mbox{-}1109$ as amended would add back all interest regardless of whether or not it is federally exempt.

The third change under H.B. 3017 would be the repeal of K.S.A. 79-1208a. If this bill is passed, privilege filers will be using their federal taxable years. Therefore, there will be no need to make an election to use a fiscal year. If the federal taxable year is a fiscal year, the same fiscal year will be used for privilege tax purposes.

LEGAL SERVICES

Ву:

David Prager, VIII

Attorney

Approved:

William L. Edds General Counsel

WLE:DP:jaw

HB 3067

SIMULATIONS NO. 6062: ELIMINATION OF THE FEDERAL TAX DEDUCTION, CONFORMITY TO FEDERAL ITEMIZED DEDUCTIONS LESS STATE, COUNTY AND CITY INCOME TAXES, AND NEW KANSAS TAX RATES

Kansas Department Of Revenue

Individual Income Tax In Tax Year 1986 Resident Taxpayers Impact By Bracket

SIMULATION NO. 6062: ELIMINATION OF THE FED TAX DEDUCTION, CONFORMITY ON FED ITEMIZED AND NEW KANSAS TAX BRACKETS

			N.	arried					Single				Total Residents		
K.A.G.I. Bracket		Percent Increase	Liability	Percent Of Total	Effective Rate	No. Of Returns	Percent Increase	Liability	Percent Of Total	Effective Rate	No. Of Returns	Percent Increase	Liability	Percent Of Total	Effective Rate
No K. A. S. I.	12,526	0.07	\$0.00	0.0%	0.0%	6,211	0.07	\$0.00	0.0%	0.0%	18,737	0.0%	\$8.00	0.0%	0.0%
\$9 \$5,000	15, 895	-52.3%	(\$7,040.82)	0.01	0.0%	103,053	-48.2%	(\$447,755.10)	1.1%	0.2%	118,947	-48.3%	(\$454, 795.92)	1.1%	0.1%
\$5,000 \$15,000	75,474	-33.6%	(\$2,222,324.49)	5.4%	0.6%	166,105	-21.4%	(\$5,990,613.27)	14.6%	1.4%	241,579	-23.7%	(\$8,212,937.76)	20.0%	1.1%
\$15,000 \$25,000	97, 368	-14.6%	(\$4,647,478.57)	11.3%	1.4%	84,316	-15.9%	(\$7,360,100.00)	17.9%	2.4%	181,684	-15.4%	(\$12,007,578.57)	29.3%	1.8%
\$25,000 \$35,000	107,789	-7.5%	(\$5, 361, 229, 59)	13.1%	2.0%	35,842	-13.2%	(\$4,542,137.76)	11.1%	2.8%	144,632	-9.4%	(\$9,903,367.35)	24.1%	2.2%
\$35,000 \$50,000	125, 263	-2.9%	(\$3,694,287,76)	9.0%	2,4%	15,263	-9.4%	(\$1,888,634.69)_	4.6%	2.9%	140,526	-3.7%	(\$5,582,922,45)	13.6%_	2.5%
\$50,000 \$100,000	71,158	0.5%	\$570, 102.04	-1.4%	2.7%	6,632	-8.7%	(\$1,408,979.59)	3.4%	3.5%	77,789	-0.6%	(\$838, 877.55)	2.0%	2.8%
\$100,000 Over	9,053	-8.1%	(\$4,667,551.02)	11.4%	3.1%	1,368	4.8%	\$655,510.20	-1.6%	3.9%	10, 421	-5.7%	(\$4,012,040.82)	9.8%	3.2%
Total	514, 526	-4.8%	(\$20,029,810.20)	48.8%	2.3%	419, 789	-13.21	(\$20, 982, 710.20)	51.2%	2.3%	934, 316	-7.1%	(\$41,012,520.41)	100.00%	2.3%
Fiscal Impact:			(\$20,029,810.20)					(\$20,982,710.20)					(\$41,012,520.41)		
All Taxpayers:			(\$47, 176, 224, 49)			Non-Reside	ent:	(\$6,163,704.08)			•				

Attachment

ITIONS NO. 6062: ELIMINATION OF THE FEDERAL TAX DEDUCTION, CONFORMITY TO FEDERAL ITEMIZED DEDUCTIONS LESS STATE, COUNTY AND CITY INCOME TAXES, AND NEW KANSAS TAX RATES

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Married

Kansas Department Of Revenue

Individual Income Tax In Tax Year 1986 Resident Taxpayers

Current Law

Single

Total Residents

K.A.G.I. Bracket	No. Of Returns	Percent Of KASI	Liability	Percent Of Total	Effective Rate	No. Of Returns	Percent Of KAGI	Liability	Percent Of Total	Effective Rate	No. Of Returns	Percent Of KASI	Liability	Percent Of Total	Effective Rate
to K.A.G.I.	12,526	8.87	\$8.88	8.61	8. 8x	6,211	9.01	\$0.60	9.87	0. 8x	18,737	0.01	\$8.00	9.9%	0.8x
\$8 \$5,888	15,895	0.21	\$13,469.39	9.0%	0.07	103,053	4.9%	\$928,091.84	0.2¥	0.3%	118, 947	1.4%	\$941,561.22	8.2%	0.3%
\$5,000 \$15,000	75, 474	4.5%	\$6,618,627.55	1.1%	0.9%	166, 195	26.4%	\$28,001,524.49	4.9%	1.87	241,579	10.17	\$34,620,152.04	6.0%	1.5%
\$15,000 \$25,000	97, 368	11.2%	\$31,912,859.18	5.5%	1.7%	84,316	27.3%	\$46,157,027.55	8. 87	2.9%	181,684	15.3%	\$78,6 59,885.73	- 13,5%	2.2%
\$25,000 \$35,000	107, 789	18.5%	\$71,070,618.37	12.3%	2.3%	36,842	17.9%	\$34, 453, 386. 12	6.0%	3.3%	144,632	18.4%	\$105, 523, 924. 49	18.3%	2.5%
\$35,000 \$50,000	125,263	29.8%	\$129 , 205, 370. 41	22.4%	2.6%	15, 263	10.37	\$20,111,682.65	3.5%	3.37	140, 526	24.8%	\$149, 317, 053 . 0 6	25.9%	2.6%
\$50,000 \$100,000 100,000 Over	71, 158 9, 053	25.8% 9.9%	\$121,078,304.08 \$57,273,165.33	21.07 9.97	2.8% 3.4%	6,632 1,368	7.1% 6.0%	\$16,226,425.51 \$13,588,811.22	2. 8% 2. 4%	3.9½ 3.9½	77, 789 10, 421	21.1¥ 8.9¥	- \$13 7, 39 4, 729. 59 \$7 0, 853, 977. 55	23.8% 12.3%	2.9% 3.5%
Total	514,526	100.03	\$417, 172, 415. 31	72 .3 *	2.5%	419,789	100.007	\$159, 458, 869. 39	27.7%	2.7%	934, 316	100.001	\$576,631,284.69	160.087	2.5%
								Tax Year 1986							
		CONTRACTOR OF THE PROPERTY OF	SIMULATION NO. 6062:		OF THE FED TO		lent Taxpaye	Y-ON-FED-ITEMIZED-A		is_tax_bracket:	3		Total Recidents		
				_ELIMINATION arried	OF THE FED TO		• •	Y-ON-FED-ITEMIZED-A	ND NEW KANSA	is_tax_bracket	5		Total Residents		
K.A.G. I.		Percent	N.	arried Percent	Effective	No. Of	, CONFORMIT	Y-ON-FED-ITEMIZED-A	Single Percent	Effective	No. Of	Percent		Percent	Effective
K.A.G.I. Bracket	No. Of Returns	Percent		arried		AX-DEDUCTION	, CONFORMIT	Y-ON-FED-ITEMIZED-A	Single	Effective	No. Of	Percent	Total Residents Liability	Percent Of Total	
Bracket		Percent	N.	arried Percent	Effective	No. Of	, CONFORMIT	Y-ON-FED-ITEMIZED-A	Single Percent	Effective	No. Of	Percent			
Bracket	Returns (Percent Of KAGI 	Liability———————————————————————————————————	Percent Of Total 8.04	Effective Rate	No. Of Returns 6,211	Percent Of KAGI	Y-ON-FED-ITEMIZED-A	Percent Of Total	Effective Rate	No. Of Returns 18,737	Percent Of KAGI	Liability \$0.00	0.0%	8.0%
Bracket D K. A. G. I. \$8 \$5,000	Returns (Percent Of-KA61 8. 04 6. 24	Liability 	Percent Df-Total 0.05	Effective Rate	No. Of Returns 6,211 103,053	Percent Of KAGI	Y_CN_FED_ITEMIZED_A Liability \$8.00 \$480,336.73	Percent Of Total 8.03	Effective Rate 8.0%	No. Of Returns 18,737	Percent Of KAGI 0.0%	Liability	0.01 0.17	8.0% 0.1%
Bracket 50 K.A.G.I. 50 \$5,000	12,526 15,895 75,474	Percent Of-KA61 8. 04 6. 24 4. 54	Liability \$0.88 \$6,428.57 \$4,396,303.86	Percent Df Total 0.05	Effective Rate 8.0% 0.0%	No. Of Returns 6,211 103,053 166,185	Percent Of KAGI 9.85	Y_ON_FED_ITEMIZED_A Liability \$8.08 \$480,336.73 \$22,010,911.22	Percent Of Total 8.03 9.13	Effective Rate 0.07 0.24	No. Of Returns 18,737 118,947 241,579	Percent Of KAGI 8.83 1.42 10.12	\$0.00 \$486,765.31 \$26,497,214.29	0.01 	8.0% 0.1%
Bracket 5 K.A.G.I. 50 \$5,000 \$5,000 \$15,000	12, 526 15, 895 75, 474 97, 368	Percent Of KAGI 8. 0% 6. 2% 4. 5% 11. 2%	\$0. 80 \$6, 428. 57 \$4, 396, 303. 86 \$27, 265, 389. 61	Percent Df Total 8.03 8.93 5.13	Effective Rate 8.8% 0.8% 0.8% 1.4%	No. Of Returns 6,211 103,053 166,165 84,316	Percent Of KAGI 9.8% 4.9% 26.4% 27.3%	Y_ON_FED_ITEMIZED_A Liability \$0.00 \$480,336.73 \$22,010,911.22 \$38,796,927.55	Percent Of Total 8.03 9.13 4.13 7.23	Effective Rate 	No. Of Returns 18,737 118,947 241,579 181,684	Percent Of KAGI 0.03 1.42 10.12 15.3%	\$0.00 \$486,765,31 \$26,497,214.29 \$66,062,308.16	0.07 0.07 0.17 4.97 12.37	8.0% 8.1% 1.1% 1.8%
Bracket 5 K.A. C. I. 58 \$5,808 \$5,808 \$15,808 \$15,808 \$25,808	12, 526 15, 895 75, 474 97, 368 107, 789	Percent Df-KA61 8. 0% 8. 2% 4. 5% 11. 2% 18. 5%	\$0.00 \$6,428.57 \$4,396,303.66 \$27,265,380.61 \$65,709,388.78	Percent Of-Total 0.03 0.03 0.13 12.33	Effective Rate	No. Of Returns 6,211 103,053 166,105 84,316 36,842	Percent 0f-KAG1 0.07 4.9% 26.4% 27.3% 17.9%	Y_ON_FED_ITEMIZED_A Liability \$8,00 \$480,336.73 \$22,010,911.22 \$38,796,927.55 \$29,911,168.37	Percent Of Total 8.03 9.13 4.13 7.23 5.63	8.0% 8.0% 9.2% 1.4% 2.4% 2.8%	No. Of Returns 18,737 118,947 241,579 181,684 144,632	Percent Of KAGI 8.83 1.42 10.13 15.32 18.42	\$8.98 \$486,765.31 \$26,487,214.29 \$66,062,388.16 \$95,620,557.14	0.01 	8. 07 0. 17 1. 17 1. 87 2. 27
Bracket 5 K.A. C. I. \$8 \$5,800 \$15,800 \$15,800 \$25,800 \$25,800 \$35,800 \$35,800 \$35,800	12,526 15,895 75,474 97,388 107,789 125,263	Percent Of-KA6I	\$0.00 \$6,428.57 \$4,396,303.06 \$27,265,380.61 \$65,709,388.78 \$125,511,082.65	Percent Df Total 8.03 8.93 5.13	Effective Rate 8.8% 0.8% 0.8% 1.4%	No. Of Returns 6,211 103,053 166,105 84,316 36,042 15,263	Percent Of KAGI 9.8% 4.9% 26.4% 27.3%	Y-ON-FED-ITEMIZED-A Liability \$8.08 \$480,335.73 \$22,010,911.22 \$38,796,927.55 \$29,911,168.37 \$18,223,047.96	Percent Of Total 0.03 0.13 4.13 7.24 5.63 3.43	8.07 8.07 9.24 1.47 2.47 2.87 2.97	No. Of Returns 18,737 118,947 241,579 181,684 144,632 148,526	Percent Of KAGI 8.83 1.42 10.17 15.32 18.42 24.82	\$0.00 \$486,765.31 \$26,497,214.29 \$66,062,308.16 \$95,620,557.14 \$143,734,130.61	0f-Total- 	Rate 8.0% 0.1% 1.1% 1.8% 2.2% 2.5%
Bracket 50 K.A.C.I. \$0 \$5,000 \$5,000 \$15,000 \$25,000 \$25,000 \$35,000 \$50,000 \$50,000	12, 526 15, 895 75, 474 97, 368 107, 789	Percent Df-KA61 8. 0% 8. 2% 4. 5% 11. 2% 18. 5%	\$0.00 \$6,428.57 \$4,396,303.66 \$27,265,380.61 \$65,709,388.78	Percent Of-Total 8.83 8.87 5.17 12.37 23.44	8.83 8.83 9.83 9.64 1.41 2.83 2.43	No. Of Returns 6,211 103,053 166,105 84,316 36,842	Percent 0f-KAGI 4.9% 25.4% 27.3% 17.9% 18.3%	Y_ON_FED_ITEMIZED_A Liability \$8,00 \$480,336.73 \$22,010,911.22 \$38,796,927.55 \$29,911,168.37	Percent Of Total 8.03 9.13 4.13 7.23 5.63	8.0% 8.0% 9.2% 1.4% 2.4% 2.8%	No. Of Returns 18,737 118,947 241,579 181,684 144,632	Percent Of KAGI 8.83 1.42 10.13 15.32 18.42	\$8.98 \$486,765.31 \$26,487,214.29 \$66,062,388.16 \$95,620,557.14	0.01 	8. 07 0. 17 1. 17 1. 87 2. 27
Bracket o K. A. C. I. \$8	12,526 15,895 75,474 97,368 107,789 125,263 71,158	Percent Of-KA6I 8. 03 6. 23 4. 53 11. 23 18. 53 29. 83 25. 83	\$0.00 \$6,428.57 \$4,396,303.06 \$27,265,380.61 \$55,709,388.78 \$125,511,082.65 \$121,648,406.12	Percent	8.83 0.83 0.84 1.44 2.67 2.44 2.75	No. Of Returns 6,211 103,853 166,185 84,316,3642 15,263 6,632	Percent 0f-KAGI 4.9% 25.4% 27.3% 10.3% 7.1%	Y-ON-FED-ITEMIZED-A Liability \$8.00 \$480,336.73 \$22,810,911.22 \$38,796,927.55 \$29,911,168.37 \$18,223,047.96 \$14,817,445.92	Percent Of Total 9.03 9.13 7.24 5.65 3.43 2.83	Effective Rate 8.07 0.2% 1.4% 2.4% 2.8% 2.9% 3.5%	No. Of Returns 18,737 118,947 241,579 181,584 144,632 148,526 77,789	Percent Of KAGI 8.83 1.42 10.12 15.37 18.42 24.82 21.12	\$8.98 \$486,765.31 \$26,497,214.29 \$66,062,308.16 \$95,620,557.14 \$143,734,130.61 \$136,465,852.04	0.01 	8.8% 8.8% 8.1% 1.1% 1.8% 2.2% 2.5% 2.8%
Bracket 80 K.A.G.I. \$8 \$5,988 \$5,888 \$15,988 \$25,888 \$25,888 \$35,898 \$58,888 \$168,888 \$188,888 \$168,888	12,526 15,895 75,474 97,368 107,789 125,263 71,158 9,053	Percent DF KA6I	\$0.00 \$6,428.57 \$4,336,333.06 \$27,265,380.61 \$55,709,388.78 \$125,511,682.65 \$121,648,486.52 \$52,685,615.31	Percent Of Total 0.03 0.05 0.05 0.12 12.32 22.73 9.84	8.8% 8.8% 8.8% 8.6% 1.4% 2.6% 2.4% 3.1%	No. Of Returns 6,211 103,053 166,105 84,316 36,842 15,263 6,632 1,368	Percent Of KAGI 9.8% 4.9% 26.4% 27.3% 17.9% 10.3% 7.1% 6.8%	\$480, 336, 73 \$22,010, 911, 22 \$38, 796, 927, 55 \$29, 911, 168, 37 \$14, 223, 847, 96 \$14, 817, 445, 92 \$14, 236, 321, 43	Percent Of Total	8.07 0.27 1.47 2.47 2.87 2.97 3.57 3.97	No. Of Returns 18,737 118,947 241,579 181,684 144,632 149,526 77,789 10,421	Percent 0f KA61 0.0% 1.4% 10.1% 15.3% 18.4% 24.8% 21.1% 8.9%	\$486,765.31 \$26,487,214.29 \$66,862,388.16 \$95,620,557.14 \$143,734,138.61 \$136,465,852.04 \$66,841,935.73	0.0% 0.1% 4.9% 12.3% 17.9% 26.8% 25.5% 12.5%	8.6% 8.6% 8.1% 1.1% 1.8% 2.2% 2.5% 2.8% 3.2%

Kansas Department Of Revenue

Individual Income Tax In Tax Year 1986 Resident Taxpayers Impact By Bracket

SIMULATION NO. 6064: ELIMINATION OF THE FED TAX DEDUCTION, CONFORMITY ON FED ITEMIZED AND NEW KANSAS TAX BRACKETS

			Ma	rried		1			Single				Total Residents		
K.A.G.I. Bracket	No. Of Returns	Percent Increase	Liability	Percent Of Total	Effective Rate	No. Of Returns	Percent Increase	Liability	Percent Of Total	Effective Rate	No. Of Returns	Percent Increase	Liability	Percent Of Total	Effective Rate
No K.A.G.I.	12,526	0.01	\$0.00	0.0%	0.0%	6,211	0.0%	\$0.09	0.01	0.0%	18,737	0.01	\$0.00	8.0%	0.0%
\$0 \$5,000	15,895		(\$5, 000.00)	0.1%	0.0%	103,053	-32.3%	(\$300, 102.04)	4.2%	0.2%	118,947	-32.4%	(\$305, 102.04)	4.2%	0.2%
\$5,000 \$15,000	75, 474		(\$1,662,428.57)	23.1%	0.6%	166, 105	-20.8%	(\$5, 833, 469. 39)	81.2%	1.4%	241,579	-21.7%	(\$7,495,897.96)	104.3%	1.1%
\$15,000 \$25,000	97,358		(\$4,782,854.08)	66.5%	1.4%	84, 316	-13.9%	(\$6, 430, 508. 16)	89.5%	2.4%	181,684	-14.4%	(\$11,213,352,24)	156.0%	1.9%
\$25,000 \$35,000	107,789		(\$5, 131, 433.67)	71.4%	2.0%	35, 842	-8.2%	(\$2,840,096.94)	39.5%	2.9%	144,632	-7.6%	(\$7,971,530.61)	110.9%	2.3%
\$35,000 \$50,000 \$50,000 \$100,000	125, 263 71, 158		(\$151, 226, 53)	2.1%	2.5%	15,263	-0.1%	(\$17, 959.18)	0.2%	3.2%	149,526	-0.1%	(\$169, 185.71)	2.4%	2.6%
\$100,000 Dver	9,053		\$9,567,142.86 \$5,905,727.55	-133.1% -82.2%	3.7%	6,632 1,368	5.0% 27.1%	\$815,816.33 \$3,678,775.51	-11.4% -51.2%	4.8%	77, 789 10, 421	7.6%	\$10,382,959.18 \$9,584,503.06	-144.5% -133.3%	3.9%
v100,000 0VC				02.22	0.72			+0;0/0;7/0:01	31.64	7.04		10.04	*3, 307, 303, 00	-100.04	3. JA
Total	514,526	0.9%	\$3,739,927.55	-52.0%	2,4%	419,789	-6.9%	(\$10,927,543.88)	152.0%	2.5%	934,316	-1.2%	(\$7, 187, 616. 33)	100.00%	2.4%
Fiscal Impact:			\$3,739,927.55					(\$10,927,543.88)					(\$7,187,616.33)		
All Taxpayers:			(\$7, 375, 819.39)			Non-Reside	ent:	(\$188, 203, 05)							
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Attachment 4

3/03/86 Hs. A&T

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SIMULATIONS NO. 6064	FEDERAL	ITEMIZED DE	FEDERAL TAX DEDUCTION DUCTIONS LESS STATE, EN KANSAS TAX RATES		ITY	ndividual In	partment Of come Tax In ent Taxpaye	Tax Year 1985					AMP A MARIA BLACK AND A SHIP AND		· · · · · · · · · · · · · · · · · · ·
			K	arried			Current L		Single				Total Residents		
K.A.G.I. Bracket	No. Of Returns	Percent Of KAGI	Liability	Percent Of Total	Effective Rate	No. Of Returns	Percent Of KASI	Liability	Percent Of Total	Effective Rate	No. Of Returns	Percent Of KASI	Liability	Percent Of Total	Effective Rate
No K.A.G.I.	12,526	8.07	\$8.80	0.8x	0.8x	6,211	0.07	\$0.00	0.01	9.8%	18,737	0.0%	\$0.00	0.0%	0.61
\$8 \$5,000 \$5,000 \$15,000 \$15,000 \$25,000 \$25,000 \$35,000	15,895 75,474 97,368 107,789	4.5% 11.2% 18.5%	\$13,469.39 \$6,618,627.55 \$31,912,859.18 \$71,070,618.37	0.0% 1.1% 5.5% 12.3%	9.0% 9.9% 1.7% 2.3%	103, 053 166, 105 84, 316 36, 842	4.9% 26.4% 27.3% 17.9%	\$928, 091, 84 \$28, 001, 524, 49 \$46, 157, 027, 55 \$34, 453, 306, 12	0.2% 4.9% 8.0% 6.0%	0.3% 1.8% 2.9% 3.3%	118,947 241,579 181,684 144,632	1.4% 10.1% 15.3% 18.4%	\$941,561.22 \$34,620,152.04 \$78,069,886.73 \$105,523,924.49	0.2% 6.0% 13.5% 18.3%	0.3x 1.5x 2.2x 2.5x
\$35,000 \$50,000 \$50,000 \$100,000 \$100,000 Over	125, 263 71, 158 9, 053	29.8x 25.8x	\$129,205,370.41 \$121,078,304.08 \$57,273,166.33	22.4% 21.0% 9.9%	2.6% 2.8% 3.4%	15,263 6,632 1,368	10.3% 7.1% 6.0%	\$20,111,582.55 \$16,226,425.51 \$13,580,811.22	3.5% 2.8% 2.4%	3. 3% 3. 9% 3. 9%	140,525 77,789 10,421	24.82 21.12 8.92	\$149,317,053.05 \$137,304,729.59 \$70,853,977.55	25. 9% 23. 8% 12. 3%	2. 5% 2. 9% 3. 5%
Total	514,526	199.07	\$417, 172, 415. 31	72.3%	2.5%	419,789	100.00%	\$159, 458, 869.39	27.7%	2.7%	934, 316	100.00%	\$576,631,284.69	100.00%	2.5%

Kansas Department Of Revenue

Individual Income Tax In Tax Year 1986 Resident Taxpayers

SIMULATION NO. 6064: ELIMINATION OF THE FED TAX DEDUCTION, CONFORMITY ON FED ITEMIZED AND NEW KANSAS TAX BRACKETS

person ()		and the second second	M	arried		to the Manufacture of Constitution of Constitution and Constitution of Constit	Single					Total Residents				
K. A. G. I. Bracket		Percent Of KAGI	Liability	Percent Of Total	Effective Rate	No. Of Returns	Percent Of KAGI	Liabilìty	Percent Of Total	Effective Rate	No. Of Returns	Percent Of KASI	Liability	Percent Of Total	Effective Rate	
No K.A.G.I.	12,526	8. 87	\$0.09	0.07	9. 0%	6,211	0.0%	\$0.00	0.0%	0.6%	18,737	0.0%	\$0.98	0.0%	0.0%	
\$9 \$5,000	15, 895	0.23	\$8,469.39	0.02	8.0%	103, 053	4.9%	\$627,989.80	0.17	9.2%	118,947	1.4%	\$636, 459.18	0.1%	0.2x	
\$5,000 \$15,000 \$15,000 \$25,000	75, 474 97, 368	4.5% 11.2%	\$4,956,198.98 \$27,139,995,19	0.9% 4.8%	0.6% 1.4%	166, 1 0 5 84, 316	25.4% 27.3%	\$22,168,055.10 \$39,726,519.39	3.9% 7.0%	1.4% 2.4%	241,579 181,684	10.17	\$27, 124, 254. 08	4.8%	1.17	
\$25,000 \$35,000	107, 789	18.5%	\$27,130,005.10 \$55,939,184.69	11.6%	2.0%	36,842	17.9%	\$31,613,209.18	5.6%	2.9%	144,632	15.37 18.47	\$66, 856, 524, 49 \$97, 552, 393, 88	11.7% 17.1%	1.9x 2.3x	
\$35,000 \$50,000 \$50,000 \$100,000 \$100,000 Over	125,263 71,158 9,053	29.8% 25.8% 9.9%	\$129, 054, 143, 88 \$130, 645, 446, 94 \$63, 178, 893, 88	22.7% 22.9% 11.1%	2.5% 2.9% 3.7%	15,263 6,632 1,368	10.3% 7.1% 6.0%	\$20,093,723.47 \$17,042,241.84 \$17,259,586.73	3.5% 3.0% 3.0%	3.2% 4.8% 4.8%	140,526 77,789	24.8% 21.1%	\$149, 147, 857.35 \$147, 687, 688, 78	26.27 25.97	2.5% 3.0%	
3166,006 Over	2,655	J. JA	*D3, 170, 033, 00	11:14	J. ()	1,300	0.64	*17,633,306.73	3.02	4.02	18,421	8.9%	\$80, 438, 480. 61	14.1≱	3.9%	
Total	514,526	199.07	\$420,912,342.86	73, 9%	2.4%	419,789	100.00%	\$148,531,325.51	26.1%	2.5%	934, 316	100.00×	\$569, 443, 668. 37	100.00%	2.4%	
Fiscal Impact:	As and a second		\$3,739,927.55		and the second s			(\$10,927,543.88)					(\$7, 187, 616. 33)			
All Taxpayers:			(\$7, 375, 819. 39)			Non-Reside	nt:	(\$188, 203, 06)				or and analysis and an array	AND I have been seen a supplying has to a			

Kansas Tax Tables

Single

Taxab	le Income			Tax Rate	Excess Over
\$Ø	\$2,000		- -	1.3%	\$0
\$2,000	\$3,000	\$26	+	2.3%	\$2,000
\$3,000	\$5,000	\$49	+	2.7%	\$3,000
\$5,000	\$7,000	\$103	+	3.3%	\$5,000
\$7,000	\$10,000	\$169	-{-	4.3%	\$7,000
\$10,000	\$20,000	\$298		5.0%	\$10,000
\$20,000	\$25,000	\$798	-1-	5.7%	\$20,000
\$25,000	Over	\$1,083	+	6.0%	\$25,000
·-		•			

Married

Taxab	le Income			Rate	Cyer
\$Ø	\$4,000		+	1.3%	\$0
\$4,000	\$6,000	\$52	+	2.3%	\$4,000
\$6,000	\$10,000	\$98	-+-	2.7%	\$6,000
\$10,000	\$14,000	\$206	+	3.3%	\$10,000
\$14,000	\$20,000	\$338	-4-	4.3%	\$14,000
\$20,000	\$40 , 000	\$596	4-	5.0%	\$20,000
\$40,000	\$50,000	\$1,596	-+-	5.7%	\$40,000
\$50,000	Over	\$2,166	-1-	6.0%	\$50,000