

Approved: 2-19-93
Date

MINUTES OF THE HOUSE COMMITTEE ON TAXATION.

The meeting was called to order by Vice Chairperson Kent Glasscock at 9:00 a.m. on February 16, 1993 in Room 519-S of the Capitol.

All members were present except:

Committee staff present: Tom Severn, Legislative Research Department
Chris Courtwright, Legislative Research Department
Don Hayward, Revisor of Statutes
Bill Edds, Revisor of Statutes
Lenore Olson, Committee Secretary

Conferees appearing before the committee:

Kelly Rundell, Assistant City Attorney, City of Wichita
Jim Weisgerber, Kansas Department of Revenue
Lucky DeFries, Kansas Bar Association
Steve Stotts, Kansas Department of Revenue

Others attending: See attached list

Vice Chairperson Glasscock opened the hearing on HB 2266.

HB 2266 Tax foreclosure sales of abandoned buildings.

Chris Courtwright, Kansas Legislative Research Department, presented an overview of HB 2266 and said that this bill would amend the statute relating to the amount of time a county would have to wait after auctioning off real estate for delinquent taxes before the initiation of traditional foreclosure proceedings.

Kelly Rundell, Assistant City Attorney, City of Wichita, testified in support of HB 2266. She said that the City's intent in requesting this legislation is to address the large number of properties that have been abandoned and the owner is delinquent on the payment of property taxes. The City wants to shorten the time period that it takes to bring an abandoned property to tax sale (Attachment 1). Ms. Rundell responded to questions and agreed that some sort of quit claim instrument would be helpful in moving abandoned property into a tax sale at a faster rate.

Vice Chairperson Glasscock closed the hearing on HB 2266.

The Vice Chair opened the hearing on HB 2005.

HB 2005 Kansas Inheritance Tax Act Amendments. Re Proposal No. 6.

Jim Weisgerber, Kansas Department of Revenue, reviewed a summary of the major changes to each section of HB 2005. He said that this bill contains a large number of technical changes. The bill also contains four major changes which are designed to bring the Kansas Inheritance Tax into closer conformity with the federal estate tax: (1) the generation skipping transfer tax; (2) annuities, pension plans, and profit sharing plans; (3) the special use valuation technique and, (4) the qualified terminable interest property (QTIP) election (Attachment 2). Mr. Weisgerber responded to questions and said that the effect of changing the QTIP election would change only the timing of the tax, not the amount subject to the tax or the rates of tax. Mr. Weisgerber also suggested a number of changes be made to the printed version of HB 2005.

Lucky DeFries, Kansas Bar Association, testified that he generally supports HB 2005 but is concerned with the QTIP election as shown in the printed bill. Mr. DeFries distributed a letter from Austin Nothorn, Coffman, DeFries & Nothorn, which requested that the provision for the QTIP election be amended as shown on (Attachment 3).

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON TAXATION, Room 519-S Statehouse, at 9:00 a.m. on February 16, 1993.

Chairperson Roe closed the hearing on HB 2005.

Steve Stotts, Kansas Department of Revenue, reviewed fiscal information on HB 2088, taxation of recreational vehicles and said that the net impact from this bill would be a net decrease of about \$2.28 million. Also included in his information were county-by-county charts showing taxes on motor homes and on trailers. Mr. Stotts mentioned that the Committee might want to consider the possibility of an amnesty provision for Kansans who have registered their recreational vehicles out-of-state (Attachment 4). Mr. Stotts also distributed information on the tag enforcement program operated by Wyandotte County (Attachment 5).

Bill Edds, Revisor of Statutes Office, distributed copies of two proposed amendments to HB 2088 requested by the Recreational Vehicle Council, one for an amnesty provision and the other regarding the weight to be used when a recreational vehicle is registered (Attachment 6).

The minutes of February 10, 11, and 12, 1993, were approved.

The meeting adjourned at 10:25 a.m.

The next meeting is scheduled for February 17, 1993.

Date: 12/16/93

GUEST REGISTER

HOUSE COMMITTEE ON
ASSESSMENT AND TAXATION

[illegible]

CITY OF WICHITA

TESTIMONY
HOUSE BILL NO. 2266
HOUSE TAXATION COMMITTEE
FEBRUARY 17, 1993

MR. CHAIRMAN AND MEMBERS OF THE HOUSE TAXATION COMMITTEE I AM KELLY RUNDELL, ASSISTANT CITY ATTORNEY FOR THE CITY OF WICHITA. I AM HERE TODAY TO ADDRESS HOUSE BILL 2266 RELATING TO SHORTENING THE FORECLOSURE PERIOD FOR ABANDONED STRUCTURES. CURRENT LAW ALLOWS AN OWNER TO BE DELINQUENT FOR TWO OR THREE YEARS, DEPENDING ON THE NATURE OF THE PROPERTY, BEFORE A FORECLOSURE ACTION IS TAKEN AND THE PROPERTY GOES TO SHERIFF'S SALE TO COLLECT BACK TAXES. HOUSE BILL NO. 2266 AMENDS THE REAL PROPERTY TAX FORECLOSURE LAWS TO ALLOW ABANDONED PROPERTY TO BE FORECLOSED UPON EARLIER THAN OTHER PROPERTIES AND THUS, MAKE THEM AVAILABLE TO PEOPLE INTERESTED IN REPAIRING OR REFURBISHING THE PROPERTY.

TO BETTER UNDERSTAND THE NEED FOR THIS LEGISLATION, I WOULD LIKE TO BRIEFLY REVIEW FORECLOSURE LAW AND EXPLAIN THE CHANGES PROPOSED IN HOUSE BILL 2266. CURRENT LAWS REGARDING REAL ESTATE TAX FORECLOSURES DISTINGUISHES BETWEEN HOMESTEAD, FAMILY RESIDENCE PROPERTIES, AND OTHER REAL ESTATE. THE CURRENT LAW PROVIDES THAT WHEN TAXES BECOME PAST DUE ON HOMESTEAD PROPERTIES, THE PROPERTY IS "BID OFF" BY THE COUNTY. THAT IS, IT ENTERS A REDEMPTION PERIOD OF THREE YEARS. AT ANY TIME, THE THREE YEAR REDEMPTION PERIOD FOR HOMESTEAD PROPERTY MAY BE EXTENDED BY PAYING ONE OR MORE YEARS WORTH OF PAST DUE TAXES. WHEN THREE OR MORE YEARS OF TAXES ON HOMESTEAD PROPERTY BECOME PAST DUE, THE COUNTY CAN INITIATE A JUDICIAL TAX FORECLOSURE ACTION, MEANING INITIATE A LAWSUIT. REDEMPTION OF THE PROPERTY DURING THE PENDENCY OF A JUDICIAL TAX FORECLOSURE ACTION (WHILE THE LAWSUIT IS GOING ON), REQUIRES PAYMENT OF ALL PAST DUE TAXES. IF UNREDEEMED DURING THE PENDENCY OF A JUDICIAL TAX FORECLOSURE ACTION, THE PROPERTY IS AUCTIONED OFF FOR TAXES. HOUSE BILL NO. 2266 DOES NOT CHANGE THE PROCEDURE FOR HOMESTEAD OR FAMILY RESIDENCE PROPERTIES.

THE PROPOSED BILL DOES CHANGE THE PROCEDURE FOR SOME NON-HOMESTEAD PROPERTY. SPECIFICALLY, THE CITY IS WANTING TO ADDRESS THE ABANDONED STRUCTURES PROBLEM THAT IS SO PREVALENT WITHIN OUR COMMUNITY. CURRENTLY, PROPERTY THAT IS NOT CONSIDERED HOMESTEAD PROPERTY IS "BID OFF" BY THE COUNTY IF THE PROPERTY TAXES AND SPECIAL ASSESSMENTS BECOME PAST DUE. THE PROPERTY THEN ENTERS A TWO YEAR REDEMPTION PERIOD. AT ANY TIME DURING THE TWO YEAR REDEMPTION PERIOD, THE PROPERTY MAY BE REDEEMED BY PAYING THE PAST DUE TAXES. IF NOT REDEEMED, A JUDICIAL TAX FORECLOSURE ACTION IS TO BE FILED. THE PROPERTY COULD STILL BE REDEEMED DURING THE PENDENCY OF THE JUDICIAL TAX FORECLOSURE ACTION BY PAYMENT OF THE PAST DUE TAXES. IF NOT REDEEMED, THE PROPERTY IS AUCTIONED OFF FOR TAXES AT THE CONCLUSION OF THE JUDICIAL TAX FORECLOSURE ACTION.

HOUSE BILL 2266 AMENDS THE LAW AS IT IS APPLIED TO ABANDONED, NON-HOMESTEAD PROPERTY. ONCE "BID OFF," ABANDONED, NON-HOMESTEAD PROPERTY WOULD ENTER INTO A ONE-YEAR REDEMPTION PERIOD. THIS PERIOD WOULD BE SHORTER THAN THE THREE-YEAR PERIOD ALLOWED FOR RESIDENTIAL HOMESTEAD PROPERTY AND SHORTER THAN THE TWO YEAR REDEMPTION PERIOD CURRENTLY ALLOWED FOR OTHER TYPES OF PROPERTY. WITH THE PROPOSED LEGISLATION IF ABANDONED, NON-HOMESTEAD PROPERTY WAS NOT REDEEMED WITHIN ONE YEAR AFTER THE COUNTY "BID OFF" THE PROPERTY, THEN THE TAX FORECLOSURE ACTION IS TO BE FILED. IF THE PROPERTY IS NOT REDEEMED DURING THE PERIOD OF THE LAWSUIT, IT IS AUCTIONED OFF FOR TAXES.

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Attachment 1

THE ONLY OTHER AMENDMENT INCLUDED IN HOUSE BILL NO. 2266 IS A CLARIFICATION OF RECOVERABLE COSTS. IT SPECIFIES THAT ABSTRACTING COSTS, INCURRED BY THE COUNTY, BE PAID AT THE TIME OF REDEMPTION.

THE CITY'S INTENT IN REQUESTING THIS LEGISLATION IS TO ADDRESS THE LARGE NUMBER OF PROPERTIES THAT HAVE BEEN ABANDONED AND THE OWNER IS DELINQUENT ON THE PAYMENT OF PROPERTY TAXES. THE CITY WANTS TO SHORTEN THE TIME PERIOD THAT IT TAKES TO BRING AN ABANDONED PROPERTY TO TAX SALE.

BRIEFLY, I WILL GIVE YOU A FEW NUMBERS THAT PUT INTO PERSPECTIVE HOUSING CONDITIONS IN WICHITA. MOST OF THE CITY'S ABANDONED STRUCTURES ARE LOCATED IN FIVE AREAS OF THE CITY WHICH HAVE THE OLDEST HOUSING AND HOUSING IN THE POOREST CONDITION. THEY ARE IN THE NEAR NORTHEAST AND NORTHEAST AREA, IN MID-TOWN AND NORTH MID-TOWN AREA, AND IN AN AREA KNOWN AS PLAINVIEW. IN THESE FIVE AREAS THE CITY HAS ABOUT 450 TO 500 ABANDONED STRUCTURES. IN THE REMAINDER OF THE COMMUNITY THERE ARE APPROXIMATELY 200 TO 300 ABANDONED TYPE STRUCTURES.

ABANDONED PROPERTIES BECOME PROBLEMATIC TO THE CITY BECAUSE OF THEIR FREQUENT STATE OF OPENNESS, AND SEVERE PREMISE CONDITION PROBLEMS. IT IS NOT UNCOMMON FOR THEM TO BE FREQUENTLY VANDALIZED. ADDITIONALLY, THEY OFTEN BECOME HANG-OUTS FOR GANGS, HAVENS FOR ILLICIT ACTIVITIES AS WELL AS HOMES FOR VAGRANTS. SEVERE PREMISE CONDITIONS REDUCES THE QUALITY OF THE NEIGHBORHOOD, AND IN SOME CASES POSES A REAL THREAT TO PUBLIC SAFETY. THE CITY OF WICHITA ESTIMATES THAT IN THESE FIVE NEIGHBORHOODS APPROXIMATELY 125-150 UNITS ARE UNSECURED, HAVE SEVERE PREMISE CONDITION PROBLEMS, AND/OR HOUSE ILLICIT ACTIVITIES AT SOME POINT IN TIME. IN THE OTHER NEIGHBORHOODS WITHIN THE CITY, WE ESTIMATE THIS NUMBER TO BE AROUND 40 TO 50 STRUCTURES.

I MIGHT ALSO NOTE THAT THE CITY HAS FOUND THAT WHEN GANGS OCCUPY OR "HANG-OUT" IN AN ABANDONED STRUCTURE, THEY TEND TO FURTHER DETERIORATE THE CONDITION OF THE HOUSE. IT IS NOT UNCOMMON FOR THEM TO TAKE PLUMBING AND ELECTRICAL FIXTURES OR ANYTHING ELSE OF VALUE, BREAK WINDOWS, DAMAGE THE INTERIOR AND EXTERIOR... IN OTHER WORDS, THEY OFTEN "TRASH" A STRUCTURE. THUS, THE VALUE AT SHERIFF'S SALE IS DECREASED AND IT TAKES THE NEW OWNER MORE DOLLARS TO UPGRADE THE STRUCTURE AND MAKE IT HABITABLE.

THE CITY BELIEVES THAT IF THE FORECLOSURE PERIOD WAS SHORTENED, PROPERTIES WOULD BE SOLD AT SHERIFF SALE SOONER AND THUS WOULD BE UPGRADED TO A HIGHER USE. THIS WOULD ALSO RESULT IN THE CITY RECEIVING ADDITIONAL PROPERTY TAX DOLLARS.

I MIGHT NOTE THAT HOUSING ISSUES ARE A TOP PRIORITY FOR THE CITY OF WICHITA. THE CITY RECOGNIZES THE NEED TO REMOVE OR UPGRADE BLIGHTED HOUSING WHICH PRESENTS A THREAT TO PUBLIC SAFETY OR SERVES TO ERODE THE NEIGHBORHOOD. IN FACT, A CITIZEN HOUSING CONSERVATION TASK FORCE FORMED IN 1991 RECOMMENDED THAT THIS LEGISLATION BE PROPOSED AND ENACTED.

IN SUM, THE CITY OF WICHITA BELIEVES THAT HOUSE BILL 2266, WHICH SHORTENS THE FORECLOSURE PERIOD FOR ABANDONED PROPERTIES, WILL ASSIST US WITH IMPROVING HOUSING CONDITIONS AND NEIGHBORHOODS WITHIN THE CITY AND WILL BE A VALUABLE TOOL IN OUR OVERALL HOUSING EFFORTS.

I WOULD BE HAPPY TO ANSWER ANY QUESTIONS YOU MIGHT HAVE.

KANSAS DEPARTMENT OF REVENUE
INFORMATION REGARDING PROPOSED CHANGES TO
THE KANSAS INHERITANCE TAX ACT
BEFORE THE HOUSE COMMITTEE ON ASSESSMENT AND TAXATION
TUESDAY, FEBRUARY 16, 1993

The outline set forth below is a very brief summary of the major changes to each section of House Bill 2005.

TAXES IMPOSED

Imposition of Direct Inheritance Tax

Section 1 *Relates to imposition of tax; classification of distributees; deductions from shares of distributable estate; rates of tax.*

Amends K.S.A. 79-1537 to divide the statute into smaller sections, and to delete reference to certain exemptions. Deleted provisions are relocated to New Section 2 and New Section 3.

Exemptions From Direct Inheritance Tax

Repealer *Relates to the exemption of certain notes or other evidences of debt from inheritance tax.*

Repeals K.S.A. 79-1537a as being unnecessary.

New Section 2 *Relates to the exemption from tax of shares of less than \$200.*

Provides an exemption for net distributive shares of less than \$200. (Previously contained in K.S.A. 79-1537.)

New Section 3 *Relates to the exemption from tax of previously tax property.*

Provides an exemption for previously taxed property. (Previously contained in K.S.A. 79-1537.)

Section 4 *Relates to the exemption from tax of shares of the estate succeeded to by the surviving spouse.*

Amends K.S.A. 79-1537b to include updated qualified terminable interest property (QTIP) election provisions. Updated QTIP provisions conform to federal law.

Section 5 *Relates to the exemption from tax of shares of the estate succeeded to by charitable organizations.*

Amends K.S.A. 79-1537c to provide for changes in terminology.

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Attachment 2

Repealer

Relates to qualified terminable interest property (QTIP).

Repeals K.S.A. 79-1537d. Existing provisions are included in 79-1537b.

No Change

Relates to the exemption from tax of property used to pay tax pursuant to provisions in an instrument for payment of tax on gift out of other property.

K.S.A. 79-1538 is not changed.

New Section 6

Relates to when tax is imposed in respect to a nonresident decedent's personal property is not payable.

Relocates former K.S.A. 79-1558 to include it with similar statutes dealing with exemptions from the direct inheritance tax. Changes in terminology.

Pick-Up Tax

Section 7

Relates to additional tax imposed to equal the maximum United States transfer tax credit.

Amends K.S.A. 79-1539 to refer to the current Internal Revenue Code (IRC).

Section 8

Relates to tax imposed to equal the maximum United States transfer tax credit when no other tax is imposed.

Amends K.S.A. 79-1540 to refer to the current IRC.

Section 9

Relates to the proration of tax (or additional tax) imposed to equal the maximum United States transfer tax credit.

Amends K.S.A. 79-1541 to refer to the current IRC.

Generation Skipping Transfer Tax (GSTT)

New Section 10

Relates to the tax imposed on generation skipping transfers.

Relocates former K.S.A. 79-1581 to include it with statutes imposing tax. Amends generation skipping transfer tax (GSTT) provisions to conform to current federal law.

New Section 11 *Relates to the proration of tax imposed on generation skipping transfers.*

Relocates former K.S.A. 79-1582 to include it with statutes imposing tax. Amends GSTT provisions to conform to current federal law.

DEFINITIONS

Section 12 *Relates to definitions.*

Amends K.S.A. 79-1542 to provide additional definitions, and to permit terminology used throughout the act to be uniform.

The term "distributable estate" is used throughout the act to replace the estate tax term "taxable estate".

The terms "distributee", and "distributive share" are used throughout the act to replace a variety of terms used to refer to the recipients of the decedent's estate.

The term "personal representative" is used throughout the act to replace the phrase "executor, administrator or deemed executor" when referring to the estate's fiduciary.

VALUATION OF PROPERTY INCLUDED IN GROSS ESTATE

New Section 13 *Relates to the valuation of the decedent's gross estate.*

Provides a general statement concerning the valuation of property included in gross estate.
(Previously contained in K.S.A. 79-1543.)

Section 14 *Relates to the valuation of the decedent's gross estate; provides for alternate valuation.*

Amends K.S.A. 79-1543 to conform to current IRC.

Repealer *Relates to future estates or interests, and the settlement and payment of tax upon estates or interests which are contingent.*

Repeals K.S.A. 79-1544. Provisions relocated to New Section 35.

Section 15 *Relates to the valuation of the decedent's gross estate; provides for special valuation based on use.*

Amends K.S.A. 79-1545 to refer to current IRC. Deletes references to 79-1545b.

Repealer *Relates to the application of special valuation provisions.*

Repeals K.S.A. 79-1545a as being unnecessary.

Repealer *Relates to the valuation of the decedent's gross estate; provides for the exclusion of certain qualified real property.*

Repeals K.S.A. 79-1545b qualified real property exclusion provisions [Special use valuation]. Retention of K.S.A. 79-1545 provides conformity to federal law.

Repealer *Relates to the application of special valuation provisions.*

Repeals K.S.A. 79-1545c as being unnecessary.

Repealer *Relates to the application of special valuation provisions.*

Repeals K.S.A. 79-1545d as being unnecessary.

Repealer *Relates to the application of special valuation provisions.*

Repeals K.S.A. 79-1545e as being unnecessary.

COMPUTATION OF GROSS, ADJUSTED GROSS AND DISTRIBUTABLE ESTATE
DISTRIBUTION OF SHARES

Gross Estate

Section 16 *Relates to the computation of the gross estate, and the property included therein.*

Amends K.S.A. 79-1546 to refer to all sections relating to valuation.

Section 17 *Relates to property in which the decedent had an interest at death.*

Amends K.S.A. 79-1547 to make changes in terminology.

No Change *Relates to property in which the decedent had an interest at death; specifically interest of the surviving spouse under statute creating estate in lieu of dower or curtesy*

K.S.A. 79-1548 is not changed.

- Section 18 *Relates to property in which the decedent had an interest at death; specifically property transferred in contemplation of death.*
- Amends K.S.A. 79-1549 to conform to current IRC.
- Section 19 *Relates to property in which the decedent had an interest at death; specifically property transferred in which decedent retained a life estate.*
- Amends K.S.A. 79-1550 to conform to current IRC.
- Section 20 *Relates to property in which the decedent had an interest at death; specifically property transferred to take effect at death in which decedent retained reversionary interest.*
- Amends K.S.A. 79-1551 to conform to current IRC.
- Section 21 *Relates to property in which the decedent had an interest at death; specifically property transferred in where enjoyment thereof is subject to a power to alter, amend, revoke or terminate.*
- Amends K.S.A. 79-1552 to conform to current IRC.
- Section 22 *Relates to property in which the decedent had an interest at death; specifically annuities or other payments receivable by a beneficiary by reason of surviving the decedent.*
- Amends K.S.A. 79-1553 to conform to current IRC.
- No Change *Relates to property in which the decedent had an interest at death; specifically property held in joint tenancy or tenancy in entirety.*
- K.S.A. 79-1554 relating to interest held in joint tenancy is not changed.
- Repealer *Relates to the application of joint tenancy provisions.*
- K.S.A. 79-1554a is repealed as being unnecessary.
- Section 23 *Relates to property in which the decedent had an interest at death; specifically property in respect to which the decedent had a general power of appointment.*
- Amends K.S.A. 79-1555 to conform to current IRC.

- Section 24 *Relates to property in which the decedent had an interest at death; specifically life insurance proceeds.*
- Amends K.S.A. 79-1556 to conform to current IRC and/or to make changes in terminology.
- No Change *Relates to property in which the decedent had an interest at death; specifically transfers for insufficient consideration.*
- K.S.A. 79-1557 relating to transfers for insufficient consideration is not changed.
- New Section 25 *Relates to property in which the decedent had an interest at death; specifically property previously subject to a qualified terminable interest property election.*
- Provides for inclusion of property for which a QTIP election has previously been made.
- Repealer *Relates to when tax is imposed in respect to a nonresident decedent's personal property is not payable.*
- Repeals K.S.A. 79-1558. Provisions relocated to New Section 6.

Adjusted Gross Estate

- Section 26 *Relates to the computation of the decedent's adjusted gross estate.*
- Amends K.S.A. 79-1559 to include a provision concerning tax situs of property.

Distributable Estate

- Section 27 *Relates to the computation of the decedent's distributable estate.*
- Amends K.S.A. 79-1560 to provide for changes in terminology.
- Section 28 *Relates to the computation of the decedent's distributable estate: specifically deductions for funeral expenses, administration expenses and claims against the estate.*
- Amends K.S.A. 79-1561 to conform to current IRC.
- Section 29 *Relates to the computation of the decedent's adjusted gross or distributable estate: specifically providing that certain deductions made for inheritance tax purposes may not be made for income tax purposes.*
- Amends K.S.A. 79-1562 to provide for changes in terminology.

Section 30

Relates to the computation of the decedent's distributable estate: specifically deductions for federal estate tax.

Amends K.S.A. 79-1563 to provide for changes in terminology.

Distributable Shares

New Section 31

Relates to the manner in which the decedent's estate will be distributed for inheritance tax purposes.

Directs and defines how property comprising distributable estate is to be distributed for inheritance tax purposes.

PROCEDURAL PROVISIONS

Filing Requirements / Payment of Tax / Collection of Tax

Section 32

Relates to the requirements for filing of returns and payment of tax for taxable estates.

Amends K.S.A. 79-1564 to provide for changes in terminology.

Section 33

Relates to the requirements for filing of returns for non-taxable estates.

Amends K.S.A. 79-1565 to provide for changes in terminology.

No Change

Relates to the payment of tax in installments.

K.S.A. 79-1566 relating to installment payments is not changed.

Section 34

Relates to the payment of tax on vested estates in remainder.

Amends K.S.A. 79-1567 to provide for changes in terminology.

New Section 35

Relates to future estates or interests, and the settlement and payment of tax upon estates or interests which are contingent.

Relocates former K.S.A. 79-1544 relating to contingent interests to include it with similar statutes dealing with payment of tax.

Section 36

Relates to the collection of tax by the personal representative.

Amends K.S.A. 79-1568 to provide for changes in terminology.

Section 37

Relates to the enforcement of collection of tax.

Amends K.S.A. 79-1569 to provide for changes in terminology.

Section 38

Relates to the requirement that the district court find settlement of all taxes prior to allowing a final account.

Amends K.S.A. 79-1570 to provide for changes in terminology.

Closing of Estate

Section 39

Relates to the issuance of a closing letter for a taxable estate.

Amends K.S.A. 79-1571 to provide for changes in terminology.

Section 40

Relates to the release or transfer of assets of a nonresident decedent to a foreign personal representative.

Amends K.S.A. 79-1572 to provide for changes in terminology.

Section 41

Relates to the repayment of tax on a renounced share or where it is determined no tax is payable.

Amends K.S.A. 79-1573 to provide for changes in terminology.

Statute of Limitations

Section 42

Relates to the statute of limitations.

Amends K.S.A. 79-1574 to provide for changes in terminology. Also provides 180 day "window" in statute of limitations to provide both taxpayer and Department time to address changes made as a result of IRS audit. Changes in terminology.

Examination of Returns by Director / Jurisdiction of Controversies

Section 43

Relates to the examination of returns by the director, hearings and the assessment of additional tax.

Amends K.S.A. 79-1575 to provide for changes in terminology. Also increases de minimus assessment level from \$5 to \$25.

Section 44

Relates to the director's jurisdiction over controversies.

Amends K.S.A. 79-1576 to provide for changes in terminology.

Disposition of Revenue

- Section 45 *Relates to the disposition of revenue.*
Amends K.S.A. 79-1577 to provide for changes in terminology.
- Repealer *Relates to the county inheritance tax fund.*
Repeals K.S.A. 79-1578 as obsolete.
- Section 46 *Relates to the inheritance tax abatement refund fund and the payment of refunds.*
Amends K.S.A. 79-1579 to provide for changes in terminology.
Also increases de minimus refund level from \$5 to \$25.

Fees for Administration

- Section 47 *Relates to fees for administration of the inheritance tax act.*
Amends K.S.A. 79-1580 to delete the fee for furnishing a certified copy of a receipt for taxes paid or a closing letter and the fee for a waiver consenting to transfer of stock.

General Provisions

- Repealer *Relates to the tax imposed on generation skipping transfers.*
Repeals K.S.A. 79-1581 relating to GSTT. Relocates former 79-1581 to include it with similar statutes dealing with imposition of tax.
- Repealer *Relates to the proration of tax imposed on generation skipping transfers.*
Repeals K.S.A. 79-1582 relating to GSTT. Relocates former 79-1581 to include it with similar statutes dealing with imposition of tax.
- No Change *Relates to rules and regulations.*
K.S.A. 79-1583 is not changed.
- No Change *Relates to the application of the act.*
K.S.A. 79-1584 is not changed.

No Change

Relates to the application of the act.

K.S.A. 79-1584a is not changed.

No Change

Relates to the application of the act.

K.S.A. 79-1584b is not changed.

No Change

Relates to the application of the act.

K.S.A. 79-1584c is not changed.

No Change

Relates to the severability clause.

K.S.A. 79-1585 is not changed.

No Change

Relates to the title of the act.

K.S.A. 79-1586 is not changed.

No Change

Relates to confidentiality provisions.

K.S.A. 79-1587 is not changed.

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LEONARD H. AXE, S.J.D. (1975)

February 15, 1993

Representative Keith Roe
Chairman, House Taxation Committee
State Capitol
300 S.W. 10th
Topeka, KS 66612

Re: H.B. 2005

Dear Representative Roe and Members of the Committee:

I am writing to express my concern with Section 4 of this bill dealing with the qualified terminable interest property election. Under current Kansas law, a qualified terminable interest property (QTIP) election can be made independent of whether such an election was made on the federal estate tax return. H.B. 2005 will preclude a QTIP election for Kansas purposes if it is not made on a federal return. Where the estate is less than \$600,000 and therefore no federal estate tax return is filed, the estate will be unable to make a QTIP election for Kansas purposes.

The practical effect of this is that assets which have been placed in a QTIP trust or other QTIP format for the benefit of the surviving spouse will be taxed in Kansas when no federal estate tax return is required. Since the QTIP provisions provide that the QTIP property itself cannot be used for the benefit of any person other than the surviving spouse, this creates a problem for the Executor, Administrator or Trustee as to source for payment of the Kansas imposed tax.

QTIP arrangements are a very popular and necessary means of planning for use of assets by a surviving spouse. Frequently, pension plan and IRA proceeds are made payable to a QTIP trust so that the marital deduction can be utilized, the ultimate disposition of the asset can be controlled, and a long-term installment payment can be achieved. This is a very useful device particularly in the case of second marriages. In many cases, the total assets are less than the \$600,000 threshold for filing of a federal

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Attachment 3

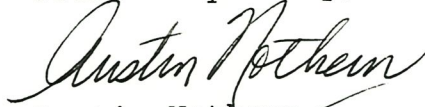
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return. H.B. 2005, by denying a QTIP election for this arrangement, would practically destroy this planning device.

H.B. 2005 provides that any asset with respect to which a QTIP election has been made will be subjected to tax in the estate of the surviving spouse. This is a needed improvement in Kansas law. However, to achieve this result it is not necessary to deny the election at the death of the first spouse.

I urge that this particular provision be amended, and that you delete from Section 4(b)(3) the words "no election may be made under this section with respect to an estate plan unless an election has been made with respect to such estate under the provisions of 26 U.S.C. 2056(b)(7)."

Yours very truly,



Austin Nothern
COFFMAN, DeFRIES & NOTHERN
A Professional Association

AN:sw

MEMORANDUM

TO: Ms. Gloria M. Timmer, Director
Division of Budget

DATE: February 15, 1993

FROM: Kansas Department of Revenue

RE: House Bill 2088
As Introduced

BRIEF OF BILL:

House Bill 2088, as introduced, relates to the taxation of recreational vehicles.

New Section 1 is new legislation providing a definition of recreational vehicles to include vehicular-type units built on or for use on a chassis and designed primarily as living quarters for recreational, camping, vacation or travel use. The unit can have its own motive power or be mounted on or drawn by another vehicle. Body width is not to exceed 102 inches and body length is not to exceed 40 feet. The definition does not include units that have no electrical system which operates above 12 volts and has no provisions for plumbing or heating.

New Section 2 is new legislation exempting recreational vehicles from property or ad valorem taxes and providing for when taxes shall be due and payable. This section, essentially, mirrors K.S.A. 1992 Supp. 79-5102(a) which relates to "tax and tag" vehicles.

New Section 3 imposes a tax upon recreational vehicles, as defined in section 1, of \$35 plus \$.60 cwt. For the purposes of this tax, the weight of any recreational vehicle shall be the weight generally accepted as its correct shipping weight as reflected on the certificate of title.

New Section 4 provides for the computation of the tax, due dates, refunds, transfers of credit when replacements are purchased, etc. This section replicates K.S.A. 1992 Supp. 79-5107 under "tax and tag".

New Section 5 provides for the Secretary of Revenue to provide manuals and forms to county officials and enumerates the duties of county officials. This section is similar to K.S.A. 1992 Supp. 79-5108 under "tax and tag".

New Section 6 provides for the distribution, to taxing subdivisions, in the same manner as provided, in K.S.A. 79-5109.

New Section 7 provides for the charging of interest on delinquent taxes at the rate prescribed by K.S.A. 79-2004a and that collection and enforcement provisions contained in K.S.A. 79-5116 will be applicable.

New Section 8 authorizes the Secretary of Revenue to adopt rules and regulations necessary to administer this act.

Section 9, amending K.S.A. 1992 Supp. 79-5101, exempts recreational vehicles from the definition of "motor vehicles".

Section 10, amending K.S.A. 8-134a, includes recreational vehicles under the requirements for registration and reregistration. This provision would take trailers, which qualify as

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Attachment 4

recreational vehicles under section 1, off of the annual registration they are now under and put them on the staggered registration system similar to all other "tax and tag" vehicles.

The effective date of this bill would be January 1, 1994.

FISCAL IMPACT:

The Department of Revenue has constructed a data base that is essentially a snap shot of the Vehicle Information Processing System (VIPS) mainframe files as of the end of December 1992. These records are then manipulated, using the new parameters contained in this bill, and a new tax is figured. It must be noted, however, that there is a missing element in the equation that will not allow the Department to estimate the entire fiscal impact. The bill takes two dissimilar types of vehicles, motorized motor homes and pull-behind camper or 5th wheel trailers, and taxes them under the same basis using empty weight. The Department is able to identify the motor homes and calculate what would have been collected under the old system and what will be collected under House Bill 2088 and can report that difference. With regard to the trailers, however, since empty weight is not currently collected and since trailers are subject to ad valorem taxation and not "tax and tag" taxation, the Department is only able to estimate what will be collected under House Bill 2088 for trailers. The amount presently collected on trailers is not available to the Department.

Motor homes, in calendar year 1994, would generate approximately \$1.6 million in property tax revenues for counties. Under House Bill 2088 their taxes will amount to approximately \$1.12 million. This will result in approximately \$0.48 million decrease in property tax revenue to the counties in calendar year 1994 attributable to motorized motor homes.

Trailers will generate approximately \$2.3 million in tax revenue under the provisions of House Bill 2088 in calendar year 1994. A sample of 1992 tax statements in Douglas county for qualifying trailers revealed an average tax, under ad valorem, of \$158 per trailer. Computations, state-wide, under the new formula show a state-wide average tax of approximately \$88. If the Douglas county average is assumed to be accurate for the entire state, a net decrease of \$70 per trailer, or \$1.8 million (26,175 x \$70) can be expected.

The net decrease then would be approximately \$2.28 million (\$0.48 million + \$1.8 million).

See attachments for county by county breakdown of motorized and trailer counts and computations.

ADMINISTRATIVE IMPACT:

The primary administrative costs associated with passage of this bill will be incurred in the Information Systems Bureau for analyst and programming necessary to modify the Vehicle Information System (VIPS).

The Information Systems Bureau would need: 70 days of System Analyst II time @ \$137 per day (\$9,590); 4.5 days of Programmer IV time @ \$151 per day (\$680); and 44 days of Data Control Technician II time @ \$88 per day (\$3872) for a total of \$14,142 in one-time expenses.

ADMINISTRATIVE PROBLEMS AND COMMENTS:

In examining the implications of implementing this legislation, the Department of Revenue has identified the following list of concerns that are respectfully submitted for your consideration:

1) A 1993 conversion van with a retail value of \$25,000 would have an annual tax in Shawnee county of approximately \$1,200. If this same conversion van were outfitted with the requisite electrical, plumbing and heating standards, assuming an empty weight of around 7,000 lbs., the owner of this RV would pay only \$77 a year under the new tax.

2) Disposal of an existing vehicle, with or without replacement, could present a problem with regard to refunds and transfers of credit. There should be no transfer of tax and tag credit to vehicles taxed under the new system. Refunds should be made under the tax system where original payment was made; a new computation of the taxes due under the new system should then be made. Provision should be made which would preclude the possibility of individuals selling their vehicle to a relative, for an artificially low price, claiming a refund of tax and tag taxes paid, and then reregistering under the new method.

3) The possibility of an amnesty should be considered. One of the selling points attributed to this tax is that there would be no revenue loss to the counties because once it is in place all of the taxpayers who have been registering their RV's out-of-state will all of a sudden flock back to register in Kansas. Without some sort of amnesty provision, prohibiting counties from collecting back taxes for prior years, such a migration back to Kansas is doubtful.

4) Section 3 of the bill calls for the tax to be computed based upon the empty, or shipping, weight of the RV. For motorized motor homes this information is available on the VIPS system. For the trailers, it is a different story. The only weight available to the State is the current gross weight that the trailer is registered for. In many cases this will be thousands of pounds more than the empty weight. If conversion programs are not commercially available from vendors such as NADA or RL Polk, it is possible that the only way the Department can accurately gather this data is to require the taxpayer to produce a scale ticket from a local scale house or elevator.

5) Once an RV always an RV? If a taxpayer chooses to have his vehicle designated as an RV and taxed under the new method, can he, at some later date, change back? For example: while a vehicle is new and undepreciated the advantage would be for it to be taxed under the RV statute, but once it reached 15 years of age, when its tax would be the minimum of \$12, it would be beneficial for the taxpayer to have the vehicle taxed under "tax and tag" again.

6) It must be noted that an aging RV, currently taxed under "tax and tag", once it has reached 15 years of age is taxed at \$12 per year. Under the proposed method of taxation that vehicle's taxes would raise dramatically (dependent upon its weight) and those taxes would be the same as those on a brand new vehicle of the same weight.

APPROVED BY:


Nancy Parrish
Secretary of Revenue

KANSAS DEPARTMENT OF REVENUE					
RESEARCH & REVENUE ANALYSIS BUREAU					
COUNTY	# Vehicles	94 BASELINE	2088 RATE	Difference	% Change
ALLEN	96	\$6,431	\$7,509	\$1,078	16.76%
ANDERSON	50	\$5,518	\$4,133	(\$1,385)	(25.10%)
ATCHISON	48	\$4,971	\$3,592	(\$1,379)	(27.74%)
BARBER	38	\$6,798	\$3,163	(\$3,635)	(53.47%)
BOURBON	79	\$7,368	\$5,723	(\$1,645)	(22.33%)
BROWN	48	\$3,267	\$3,846	\$579	17.72%
BARTON	241	\$31,811	\$19,931	(\$11,880)	(37.35%)
BUTLER	517	\$52,050	\$40,476	(\$11,574)	(22.24%)
CLARK	22	\$2,091	\$1,628	(\$463)	(22.14%)
CLOUD	99	\$10,381	\$7,915	(\$2,466)	(23.75%)
COFFEY	64	\$4,084	\$5,198	\$1,114	27.28%
CHEROKEE	87	\$5,390	\$5,966	\$576	10.69%
COWLEY	269	\$28,345	\$21,302	(\$7,043)	(24.85%)
COMANCHE	10	\$649	\$831	\$182	28.04%
CHEYENNE	36	\$1,919	\$2,895	\$976	50.86%
CHAUTAUQUA	27	\$3,208	\$2,183	(\$1,025)	(31.95%)
CRAWFORD	126	\$12,485	\$9,293	(\$3,192)	(25.57%)
CHASE	17	\$1,686	\$1,419	(\$267)	(15.84%)
CLAY	72	\$6,681	\$6,387	(\$294)	(4.40%)
DECATUR	29	\$1,961	\$2,190	\$229	11.68%
DOUGLAS	267	\$31,147	\$20,618	(\$10,529)	(33.80%)
DICKINSON	138	\$10,797	\$11,389	\$592	5.48%
DONIPHAN	26	\$750	\$1,748	\$998	133.07%
EDWARDS	38	\$2,628	\$3,094	\$466	17.73%
ELK	18	\$1,842	\$1,354	(\$488)	(26.49%)
ELLIS	125	\$15,578	\$9,587	(\$5,991)	(38.46%)
ELLSWORTH	44	\$3,157	\$3,553	\$396	12.54%
FINNEY	237	\$23,985	\$19,921	(\$4,064)	(16.94%)
FORD	176	\$16,964	\$14,445	(\$2,519)	(14.85%)
FRANKLIN	151	\$13,550	\$11,751	(\$1,799)	(13.28%)
GEARY	102	\$7,892	\$7,639	(\$253)	(3.21%)
GRAHAM	46	\$4,538	\$3,836	(\$702)	(15.47%)
GREELEY	26	\$3,192	\$2,297	(\$895)	(28.04%)
GOVE	29	\$3,320	\$2,462	(\$858)	(25.84%)
GRANT	64	\$9,179	\$6,480	(\$2,699)	(29.40%)
GREENWOOD	43	\$3,862	\$3,431	(\$431)	(11.16%)
GRAY	56	\$7,139	\$4,934	(\$2,205)	(30.89%)
HODGEMAN	19	\$1,309	\$1,505	\$196	14.97%
HAMILTON	31	\$3,563	\$2,457	(\$1,106)	(31.04%)
HARPER	50	\$6,078	\$3,943	(\$2,135)	(35.13%)
HASKELL	29	\$1,783	\$2,583	\$800	44.87%
HARVEY	206	\$25,577	\$16,885	(\$8,692)	(33.98%)
JACKSON	94	\$5,616	\$7,286	\$1,670	29.74%
JEFFERSON	135	\$17,584	\$11,442	(\$6,142)	(34.93%)
JOHNSON	901	\$180,444	\$69,004	(\$111,440)	(61.76%)

MotorHomeCompare2088

KANSAS DEPARTMENT OF REVENUE					
RESEARCH & REVENUE ANALYSIS BUREAU					
COUNTY	# Vehicles	94 BASELINE	2088 RATE	Difference	% Change
JEWELL	55	\$3,349	\$4,216	\$867	25.89%
KEARNY	50	\$4,188	\$4,231	\$43	1.03%
KINGMAN	51	\$2,468	\$3,979	\$1,511	61.22%
KIOWA	32	\$5,412	\$2,723	(\$2,689)	(49.69%)
LABETTE	118	\$13,340	\$9,147	(\$4,193)	(31.43%)
LINCOLN	36	\$6,870	\$3,169	(\$3,701)	(53.87%)
LANE	52	\$8,813	\$4,415	(\$4,398)	(49.90%)
LOGAN	42	\$5,181	\$3,334	(\$1,847)	(35.65%)
LINN	84	\$7,573	\$6,744	(\$829)	(10.95%)
LEAVENWORTH	321	\$35,499	\$24,487	(\$11,012)	(31.02%)
LYON	142	\$16,261	\$11,346	(\$4,915)	(30.23%)
MITCHELL	51	\$8,016	\$4,028	(\$3,988)	(49.75%)
MEADE	46	\$4,010	\$3,678	(\$332)	(8.28%)
MONTGOMERY	198	\$17,827	\$14,701	(\$3,126)	(17.54%)
MIAMI	156	\$19,735	\$12,942	(\$6,793)	(34.42%)
MARION	67	\$6,030	\$5,085	(\$945)	(15.67%)
MCPHERSON	150	\$14,114	\$11,853	(\$2,261)	(16.02%)
MORRIS	35	\$5,723	\$2,852	(\$2,871)	(50.17%)
MARSHALL	50	\$4,892	\$3,646	(\$1,246)	(25.47%)
MORTON	38	\$3,943	\$3,118	(\$825)	(20.92%)
NEMAHA	39	\$2,980	\$3,075	\$95	3.19%
NEOSHO	109	\$9,146	\$8,415	(\$731)	(7.99%)
NESS	44	\$5,335	\$3,551	(\$1,784)	(33.44%)
NORTON	40	\$3,744	\$3,185	(\$559)	(14.93%)
OSBORNE	25	\$2,885	\$1,881	(\$1,004)	(34.80%)
OSAGE	174	\$15,410	\$14,045	(\$1,365)	(8.86%)
OTTAWA	54	\$6,905	\$4,563	(\$2,342)	(33.92%)
PHILLIPS	66	\$7,887	\$5,639	(\$2,248)	(28.50%)
PAWNEE	57	\$6,199	\$4,737	(\$1,462)	(23.58%)
PRATT	80	\$10,337	\$6,334	(\$4,003)	(38.72%)
POTTAWATOMIE	136	\$13,622	\$11,285	(\$2,337)	(17.16%)
RAWLINS	31	\$624	\$2,424	\$1,800	288.46%
RICE	88	\$7,813	\$6,775	(\$1,038)	(13.29%)
RUSH	30	\$3,288	\$2,491	(\$797)	(24.24%)
RILEY	161	\$15,922	\$12,647	(\$3,275)	(20.57%)
RENO	465	\$56,980	\$35,969	(\$21,011)	(36.87%)
ROOKS	73	\$10,274	\$5,849	(\$4,425)	(43.07%)
REPUBLIC	64	\$6,829	\$5,109	(\$1,720)	(25.19%)
RUSSELL	85	\$7,370	\$6,976	(\$394)	(5.35%)
SALINE	392	\$29,336	\$31,464	\$2,128	7.25%
SCOTT	53	\$4,144	\$4,553	\$409	9.87%
SHERIDAN	30	\$1,554	\$2,460	\$906	58.30%
STAFFORD	37	\$3,687	\$3,013	(\$674)	(18.28%)
SEDGWICK	2546	\$314,273	\$198,641	(\$115,632)	(36.79%)
SHERMAN	82	\$5,516	\$6,615	\$1,099	19.92%
SMITH	42	\$1,510	\$3,423	\$1,913	126.69%

KANSAS DEPARTMENT OF REVENUE					
RESEARCH & REVENUE ANALYSIS BUREAU					
COUNTY	# Vehicles	94 BASELINE	2088 RATE	Difference	% Change
SHAWNEE	937	\$118,500	\$75,809	(\$42,691)	(36.03%)
STANTON	30	\$10,326	\$3,027	(\$7,299)	(70.69%)
SUMNER	219	\$18,244	\$16,566	(\$1,678)	(9.20%)
STEVENS	77	\$7,808	\$6,767	(\$1,041)	(13.33%)
SEWARD	161	\$12,322	\$13,659	\$1,337	10.85%
THOMAS	78	\$5,968	\$6,505	\$537	9.00%
TREGO	42	\$2,541	\$3,490	\$949	37.35%
WALLACE	19	\$445	\$1,521	\$1,076	241.80%
WABAUNSEE	41	\$2,924	\$3,398	\$474	16.21%
WICHITA	9	\$212	\$714	\$502	236.79%
WILSON	68	\$3,661	\$5,111	\$1,450	39.61%
WOODSON	36	\$4,587	\$3,025	(\$1,562)	(34.05%)
WASHINGTON	24	\$5,653	\$2,352	(\$3,301)	(58.39%)
WYANDOTTE	609	\$61,741	\$45,246	(\$16,495)	(26.72%)
TOTAL	14153	\$1,600,314	\$1,121,227	(\$479,087)	(29.94%)

MotorHomeAvgTax

KANSAS DEPARTMENT OF REVENUE			
RESEARCH & REVENUE ANALYSIS BUREAU			
<u>COUNTY</u>	<u># Vehicles</u>	<u>94 BASELINE</u>	<u>AVG TAX</u>
ALLEN	96	\$6,431	\$66.99
ANDERSON	50	\$5,518	\$110.36
ATCHISON	48	\$4,971	\$103.56
BARBER	38	\$6,798	\$178.89
BOURBON	79	\$7,368	\$93.27
BROWN	48	\$3,267	\$68.06
BARTON	241	\$31,811	\$132.00
BUTLER	517	\$52,050	\$100.68
CLARK	22	\$2,091	\$95.05
CLOUD	99	\$10,381	\$104.86
COFFEY	64	\$4,084	\$63.81
CHEROKEE	87	\$5,390	\$61.95
COWLEY	269	\$28,345	\$105.37
COMANCHE	10	\$649	\$64.90
CHEYENNE	36	\$1,919	\$53.31
CHAUTAUQUA	27	\$3,208	\$118.81
CRAWFORD	126	\$12,485	\$99.09
CHASE	17	\$1,686	\$99.18
CLAY	72	\$6,681	\$92.79
DECATUR	29	\$1,961	\$67.62
DOUGLAS	267	\$31,147	\$116.66
DICKINSON	138	\$10,797	\$78.24
DONIPHAN	26	\$750	\$28.85
EDWARDS	38	\$2,628	\$69.16
ELK	18	\$1,842	\$102.33
ELLIS	125	\$15,578	\$124.62
ELLSWORTH	44	\$3,157	\$71.75
FINNEY	237	\$23,985	\$101.20
FORD	176	\$16,964	\$96.39
FRANKLIN	151	\$13,550	\$89.74
GEARY	102	\$7,892	\$77.37
GRAHAM	46	\$4,538	\$98.65
GREELEY	26	\$3,192	\$122.77
GOVE	29	\$3,320	\$114.48
GRANT	64	\$9,179	\$143.42
GREENWOOD	43	\$3,862	\$89.81
GRAY	56	\$7,139	\$127.48
HODGEMAN	19	\$1,309	\$68.89
HAMILTON	31	\$3,563	\$114.94
HARPER	50	\$6,078	\$121.56
HASKELL	29	\$1,783	\$61.48
HARVEY	206	\$25,577	\$124.16
JACKSON	94	\$5,616	\$59.74
JEFFERSON	135	\$17,584	\$130.25
JOHNSON	901	\$180,444	\$200.27

MotorHomeAvgTax

KANSAS DEPARTMENT OF REVENUE			
JEWELL	55	\$3,349	\$60.89
KEARNY	50	\$4,188	\$83.76
KINGMAN	51	\$2,468	\$48.39
KIOWA	32	\$5,412	\$169.13
LABETTE	118	\$13,340	\$113.05
LINCOLN	36	\$6,870	\$190.83
LANE	52	\$8,813	\$169.48
LOGAN	42	\$5,181	\$123.36
LINN	84	\$7,573	\$90.15
LEAVENWORTH	321	\$35,499	\$110.59
LYON	142	\$16,261	\$114.51
MITCHELL	51	\$8,016	\$157.18
MEADE	46	\$4,010	\$87.17
MONTGOMERY	198	\$17,827	\$90.04
MIAMI	156	\$19,735	\$126.51
MARION	67	\$6,030	\$90.00
MCPHERSON	150	\$14,114	\$94.09
MORRIS	35	\$5,723	\$163.51
MARSHALL	50	\$4,892	\$97.84
MORTON	38	\$3,943	\$103.76
NEMAHA	39	\$2,980	\$76.41
NEOSHO	109	\$9,146	\$83.91
NESS	44	\$5,335	\$121.25
NORTON	40	\$3,744	\$93.60
OSBORNE	25	\$2,885	\$115.40
OSAGE	174	\$15,410	\$88.56
OTTAWA	54	\$6,905	\$127.87
PHILLIPS	66	\$7,887	\$119.50
PAWNEE	57	\$6,199	\$108.75
PRATT	80	\$10,337	\$129.21
POTTAWATOMIE	136	\$13,622	\$100.16
RAWLINS	31	\$624	\$20.13
RICE	88	\$7,813	\$88.78
RUSH	30	\$3,288	\$109.60
RILEY	161	\$15,922	\$98.89
RENO	465	\$56,980	\$122.54
ROOKS	73	\$10,274	\$140.74
REPUBLIC	64	\$6,829	\$106.70
RUSSELL	85	\$7,370	\$86.71
SALINE	392	\$29,336	\$74.84
SCOTT	53	\$4,144	\$78.19
SHERIDAN	30	\$1,554	\$51.80
STAFFORD	37	\$3,687	\$99.65
SEDGWICK	2546	\$314,273	\$123.44
SHERMAN	82	\$5,516	\$67.27
SMITH	42	\$1,510	\$35.95
SHAWNEE	937	\$118,500	\$126.47
STANTON	30	\$10,326	\$344.20

MotorHomeAvgTax

KANSAS DEPARTMENT OF REVENUE			
SUMNER	219	\$18,244	\$83.31
STEVENS	77	\$7,808	\$101.40
SEWARD	161	\$12,322	\$76.53
THOMAS	78	\$5,968	\$76.51
TREGO	42	\$2,541	\$60.50
WALLACE	19	\$445	\$23.42
WABAUNSEE	41	\$2,924	\$71.32
WICHITA	9	\$212	\$23.56
WILSON	68	\$3,661	\$53.84
WOODSON	36	\$4,587	\$127.42
WASHINGTON	24	\$5,653	\$235.54
WYANDOTTE	609	\$61,741	\$101.38
TOTAL	14153	\$1,600,314	\$113.07
NOTE: 1994 baseline tax is computed using			
county average levies that will go into effect			
1/1/94 as a result of school finance.			

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KANSAS DEPARTMENT OF REVENUE			
RESEARCH & REVENUE ANALYSIS BUREAU			
COUNTY	# Vehicles	2088 TAX AMT	AVG TAX
ALLEN	210	\$17,934	\$85.40
ANDERSON	132	\$12,036	\$91.18
ATCHISON	154	\$13,286	\$86.27
BARBER	114	\$9,894	\$86.79
BOURBON	160	\$13,688	\$85.55
BROWN	164	\$14,524	\$88.56
BARTON	395	\$34,993	\$88.59
BUTLER	778	\$67,790	\$87.13
CLARK	66	\$5,766	\$87.36
CLOUD	154	\$13,622	\$88.45
COFFEY	126	\$10,938	\$86.81
CHEROKEE	229	\$19,583	\$85.52
COWLEY	480	\$41,184	\$85.80
COMANCHE	28	\$2,372	\$84.71
CHEYENNE	68	\$6,004	\$88.29
CHAUTAUQUA	76	\$6,740	\$88.68
CRAWFORD	347	\$30,421	\$87.67
CHASE	59	\$5,137	\$87.07
CLAY	156	\$14,196	\$91.00
DECATUR	107	\$9,889	\$92.42
DOUGLAS	501	\$44,415	\$88.65
DICKINSON	228	\$19,980	\$87.63
DONIPHAN	125	\$11,599	\$92.79
EDWARDS	69	\$6,183	\$89.61
ELK	64	\$5,456	\$85.25
ELLIS	208	\$18,512	\$89.00
ELLSWORTH	102	\$9,138	\$89.59
FINNEY	332	\$29,524	\$88.93
FORD	259	\$22,697	\$87.63
FRANKLIN	372	\$32,076	\$86.23
GEARY	171	\$14,649	\$85.67
GRAHAM	69	\$6,111	\$88.57
GREELEY	32	\$2,968	\$92.75
GOVE	65	\$5,803	\$89.28
GRANT	146	\$13,294	\$91.05
GREENWOOD	123	\$10,641	\$86.51
GRAY	105	\$9,561	\$91.06
HODGEMAN	32	\$2,824	\$88.25
HAMILTON	56	\$4,912	\$87.71
HARPER	122	\$10,606	\$86.93
HASKELL	87	\$8,277	\$95.14
HARVEY	408	\$35,016	\$85.82
JACKSON	205	\$18,071	\$88.15
JEFFERSON	303	\$26,781	\$88.39
JOHNSON	1586	\$139,078	\$87.69

KANSAS DEPARTMENT OF REVENUE			
RESEARCH & REVENUE ANALYSIS BUREAU			
COUNTY	# Vehicles	2088 TAX AMT	AVG TAX
JEWELL	143	\$12,565	\$87.87
KEARNY	83	\$7,249	\$87.34
KINGMAN	171	\$15,033	\$87.91
KIOWA	71	\$6,157	\$86.72
LABETTE	249	\$21,819	\$87.63
LINCOLN	69	\$6,183	\$89.61
LANE	83	\$7,321	\$88.20
LOGAN	52	\$4,724	\$90.85
LINN	299	\$26,041	\$87.09
LEAVENWORTH	493	\$43,307	\$87.84
LYON	314	\$27,814	\$88.58
MITCHELL	137	\$12,043	\$87.91
MEADE	89	\$7,555	\$84.89
MONTGOMERY	408	\$35,088	\$86.00
MIAMI	444	\$39,084	\$88.03
MARION	179	\$15,481	\$86.49
MCPHERSON	382	\$33,386	\$87.40
MORRIS	91	\$7,937	\$87.22
MARSHALL	249	\$21,915	\$88.01
MORTON	85	\$7,367	\$86.67
NEMAHA	158	\$14,242	\$90.14
NEOSHO	204	\$17,652	\$86.53
NESS	95	\$8,581	\$90.33
NORTON	138	\$12,318	\$89.26
OSBORNE	110	\$9,826	\$89.33
OSAGE	416	\$36,136	\$86.87
OTTAWA	89	\$8,059	\$90.55
PHILLIPS	190	\$17,258	\$90.83
PAWNEE	130	\$11,510	\$88.54
PRATT	170	\$15,022	\$88.36
POTTAWATOMIE	254	\$22,570	\$88.86
RAWLINS	56	\$5,128	\$91.57
RICE	170	\$14,974	\$88.08
RUSH	64	\$5,504	\$86.00
RILEY	296	\$25,672	\$86.73
RENO	818	\$71,326	\$87.20
ROOKS	110	\$9,706	\$88.24
REPUBLIC	131	\$11,713	\$89.41
RUSSELL	126	\$11,130	\$88.33
SALINE	559	\$49,013	\$87.68
SCOTT	115	\$10,169	\$88.43
SHERIDAN	66	\$6,222	\$94.27
STAFFORD	89	\$7,819	\$87.85
SEDGWICK	3515	\$312,200	\$88.82
SHERMAN	108	\$9,756	\$90.33

KANSAS DEPARTMENT OF REVENUE			
RESEARCH & REVENUE ANALYSIS BUREAU			
COUNTY	# Vehicles	2088 TAX AMT	AVG TAX
SMITH	134	\$12,058	\$89.99
SHAWNEE	1217	\$104,935	\$86.22
STANTON	42	\$3,678	\$87.57
SUMNER	395	\$34,657	\$87.74
STEVENS	187	\$16,913	\$90.44
SEWARD	242	\$21,502	\$88.85
THOMAS	142	\$12,626	\$88.92
TREGO	76	\$6,788	\$89.32
WALLACE	52	\$4,652	\$89.46
WABAUNSEE	104	\$9,280	\$89.23
WICHITA	49	\$4,355	\$88.88
WILSON	130	\$11,366	\$87.43
WOODSON	71	\$6,085	\$85.70
WASHINGTON	130	\$11,678	\$89.83
WYANDOTTE	1163	\$111,625	\$95.98
TOTAL	26175	\$2,311,942	\$88.33
NOTE: 2088 tax amount was computed using gross vehicle registration weight instead of empty weight. (\$35 + \$0.60 cwt)			

WYANDOTTE COUNTY
KANSAS CITY, KANSAS
TAG CRACKDOWN PROGRAM

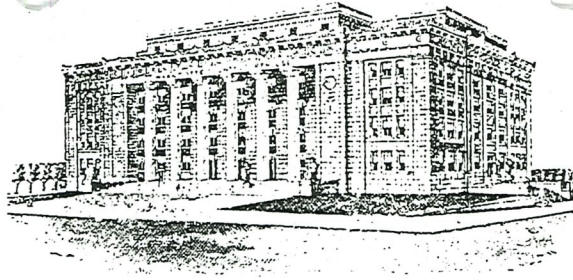
2/16/93

House Taxation Cmte
Attachment 5

Wyandotte County
Kansas City, Kansas
Tag Crackdown Program

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Treasurer.
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- V. Outline of program.
- VI. News articles.



573-2823

OFFICE OF
MARY P. LADESIC
COUNTY TREASURER
WYANDOTTE COUNTY COURT HOUSE
KANSAS CITY, KANSAS 66101



August 22, 1989

TO WHOM IT MAY CONCERN:

The Wyandotte County Tag Crackdown Program was created by the Treasurer, the Sheriff, the County Counselor and the County Appraiser in response to requests from Wyandotte County citizens for stronger enforcement of proper automobile licensing procedures. Hard-working taxpayers were dismayed to see neighbors utilizing cheaper, out-of-state, license tags while they paid the higher taxes required to properly license automobiles in Wyandotte County.

To enhance the effectiveness of the program, the City of Kansas City, Kansas was asked to join in the effort. They responded and what has become the most popular, most effective blend of city/county enforcement cooperation was launched.

During 1985, the first year of the program, an increase of three million dollars was realized in motor vehicle personal property tax revenues. Other benefits include, causing more citizens to comply with the insurance laws and drivers license laws of the State, as well as apprehending people wanted on outstanding warrants for their arrest on various charges.

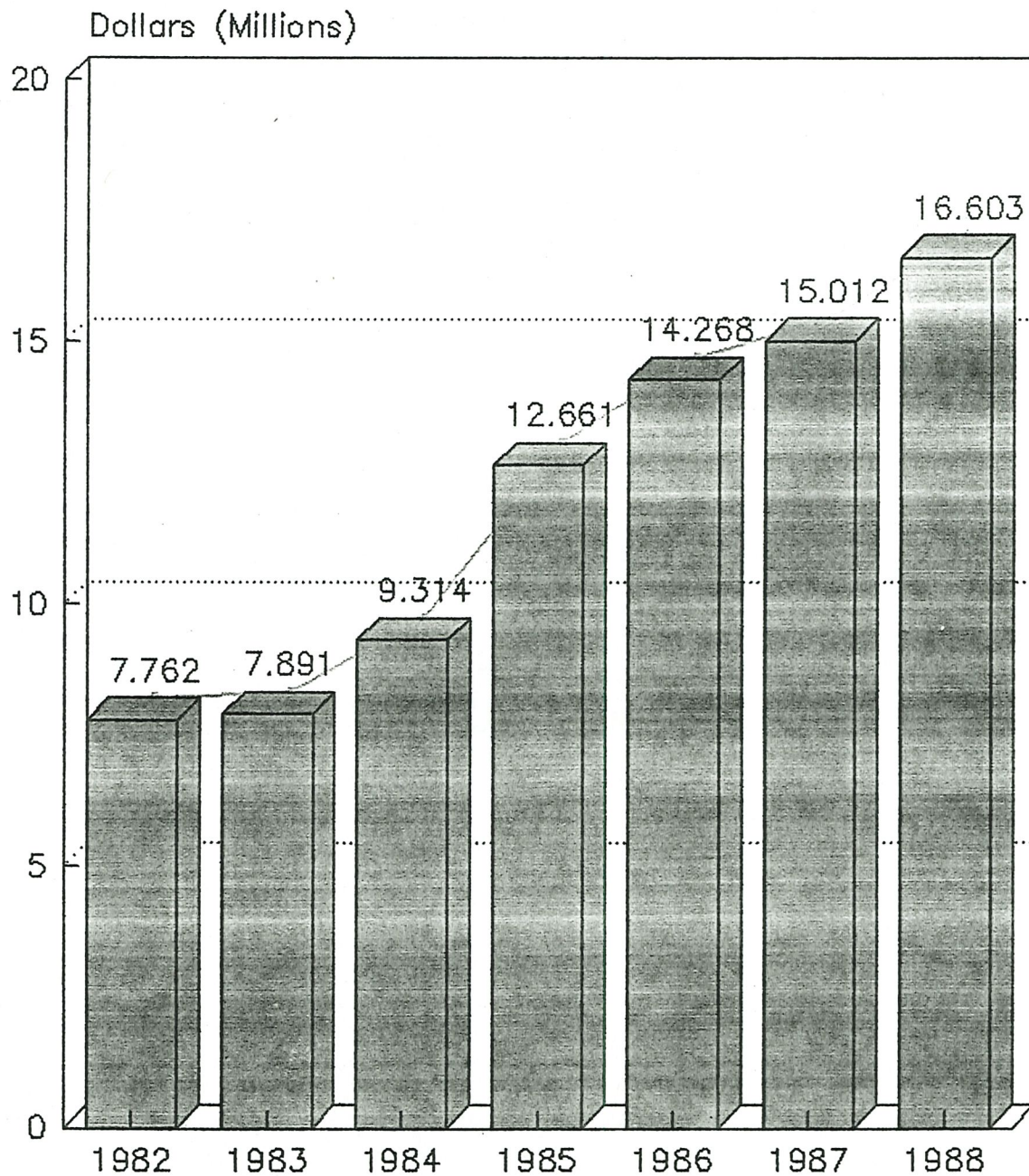
All of these, and other, benefits have come about with only a small percentage of the revenue generated being used to fund the program. We are proud of the success of the program and pleased to share more detailed information on it with other governmental units and interested parties.

* * *

5-3

WYANDOTTE COUNTY TREASURER

Motor Vehicle Collections



5-4

SHERIFF'S OFFICE

WYANDOTTE COUNTY
710 N. 7TH STREET
KANSAS CITY, KANSAS 66101
PHONE: 573-2861

OWEN SULLY
SHERIFF

August 22, 1989

1985 - 1989 TAG REGISTRATION PROGRAM

	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>
CITATIONS	1997	2356	3491	4074
TOWS	1210	976	894	799
MISDEMEANOR ARREST	163	129	177	131
TICKET ARRESTS	245	267	272	281
FELONY ARRESTS	7	5	3	10
STOLEN AUTOS RECOVERED	15	11	13	17

WYANDOTTE COUNTY TAG ENFORCEMENT UNIT
c/o Wyandotte County Sheriff's Office
Wyandotte County Court House
710 North 7th Street, Fifth Floor
Kansas City, Kansas 66101
(913) 573-2861

July 14, 1989

Members
Judiciary Committee
Kansas Legislature
State Capitol, Room 512-14
Topeka, Kansas 66612

RE: COLLECTION OF UNPAID AND/OR DELINQUENT
PERSONAL PROPERTY TAXES ON VEHICLES

To the Members of the Judiciary Committee:

Each year counties throughout the State of Kansas are losing millions of dollars in unpaid and uncollected personal property taxes through deliberate circumvention of the vehicle registration laws of the State of Kansas. This is particularly true in Wyandotte and Johnson Counties because many vehicles which should be properly registered in Kansas are being registered just over the state line in Missouri.

In an effort to avoid paying personal property taxes due in Kansas, many people are choosing one of the following options:

- (A) They are failing or refusing to register their vehicles altogether; that is, they are not registering their vehicles in any state; or
- (B) Notwithstanding the fact that their vehicles are owned by Kansas residents and/or are housed in the State of Kansas, they register their vehicles in Missouri or other states; thus having the effect of allowing them to drive vehicles with an out-of-state tag while not paying one dime of personal property taxes owed in Kansas.

Current Kansas statutes have had little effect on slowing down the number of persons failing to register their vehicles or illegally registering their vehicles in other states. Most taxpayers in this state think it is unfair that they should have to carry the burden of those who choose to ignore the law. They feel that if they have to pay taxes in this state, it is unfair that others living or housing their vehicles here choose not to register their vehicles and not pay taxes here or choose to register their vehicles in Missouri or other states and not pay their share of the tax burden in Kansas.

Kansas law enforcement officers have found that the most effective way of ensuring that vehicles owned or housed in the State of Kansas are registered in Kansas is to impound a vehicle and hold it until it is properly registered in this state. In order

to properly register a vehicle in Kansas, all personal property taxes must be paid in full before a registration will be issued. In certain cases, however, the question has arisen as to what the statutory authority is for impounding and holding a vehicle which has not been properly registered in this state.

The effect of the attached proposed amendment would be (1) to cite specific statutory authority for impounding and holding a vehicle which has not been properly registered in this state until ALL personal property taxes are fully paid; (2) to provide for the creation of a lien for said personal property taxes against the vehicle, which lien must be satisfied (e.g., all personal property taxes paid) before such vehicle is released from impoundment; and (3) to provide for the foreclosure of said lien by the county if a person fails or refuses to pay all personal property taxes due. This puts some muscle behind the meaning of K.S.A. 8-127 and would result in collection of millions of tax dollars to Kansas counties. If a vehicle cannot be impounded and held, it would result in a violator merely paying a fine and court costs (if convicted), with the potential of the same violator going right back out on the street without having paid one dime in personal property taxes. Many violators have evaded registration for years because of loopholes in the state statutes. The attached proposed amendment seeks to reduce, if not entirely eliminate, various methods used by violators to get around paying their share of personal property taxes.

The coffers of the State of Kansas would also stand to benefit from the proposed amendment since it would result in greater revenue from registration and title fees which the state has heretofore been missing out on.

What we are trying to impress upon not only our local delegation, but upon the entire legislative body, is that this amendment would result in added dollars to not only the various individual counties throughout the state, but would also result in additional funds going directly to the state. There are many people throughout the State of Kansas who stand ready to see that these laws are enforced, but our legislators need to give us statutory authority as the need arises. The only people who stand to lose by this amendment are those who are trying to get by without paying personal property taxes in Kansas.

Any consideration you may give this matter would be greatly appreciated. Thank you.

Sincerely,

Officer Ronald J. Hoyler
Member, Tag Enforcement Unit

RJH:j

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PROPOSED AMENDMENT

Any person who shall own or operate a motor vehicle within this state in violation of K.S.A. 8-127 and amendments thereto shall be subject to having said vehicle impounded; and once said vehicle is impounded, the county in which said vehicle should have been properly registered shall have a lien for any and all unpaid personal property taxes, plus penalties and interest thereon, if any, that would be due to said county had said vehicle been properly registered pursuant to K.S.A. 8-127 and amendments thereto. Said vehicle shall not be released from impoundment until and unless the lien herein created is satisfied in full. In the event said lien is not satisfied as herein provided, said lien may be foreclosed in the same manner as provided for in K.S.A. 8-1103 through 8-1108 as amended.

JOINT KANSAS CITY/WYANDOTTE COUNTY, KANSAS TAG ENFORCEMENT PROGRAM

I. INITIATION OF LOCAL PROGRAM

The local tag enforcement program was initiated in 1982 through cooperative efforts of public officials of the City of Kansas City, Kansas and Wyandotte County, Kansas.

A. PURPOSES OF THE PROGRAM

1. A significant amount of personal property taxes was being lost to Kansas counties (and in particular, Wyandotte County) because of the failure of vehicle owners to properly register their vehicles in the county in which said vehicles were housed.
Many were registering vehicles in the State of Missouri to avoid payment of personal property taxes in the State of Kansas.
Kansas counties were losing money because vehicle owners were:
 - a. Failing to register vehicles altogether
 - b. Illegally registering vehicles in another state
 - c. Improperly registering vehicles in another county
2. The program was also to ensure uniform enforcement of the statutes of the State of Kansas in the following areas:
 - a. Vehicle Titling
 - b. Vehicle Registration
 - c. Proof of Liability Insurance/Safety Responsibility
 - d. Dealer Compliance(see K.S.A. 8-126 to 8-149, inclusive)

B. SETTING UP PROGRAM

1. Public officials of both the City and the County met for months prior to the setting up of the program.
 - a. The City of Kansas City, Kansas offered the services of one Kansas City, Kansas Police Patrolman.
 - b. Wyandotte County, Kansas contributed the services of one Deputy Sheriff (which contribution was later expanded to include other full-time and part-time Deputy Sheriff assistants).
 - c. Sgt. Leroy Green, Deputy Sheriff, Wyandotte County, Kansas was placed in charge of the program.
2. Program functions were coordinated through the Wyandotte County Sheriff's Office.
 - a. A central office for the program was maintained at the Wyandotte County Court House (in the Sheriff's Office) and has recently been relocated to the Wyandotte County Court House Annex.
 - b. A standard time (1:00 P.M. to 4:00 P.M.) was established for the release of vehicles to owners upon exhibition of receipts for the payment of all current and any delinquent personal property taxes, proper titles, license plates and registrations.
 - c. Open titles, illegal registrations and the like were held for evidence until final adjudication in the court system.
 - d. Weekly random vehicle stops were scheduled to verify proper titles, registrations and insurance on vehicles.

I. INITIATION OF LOCAL PROGRAM (Continued)

B. SETTING UP PROGRAM

3. All involved local governmental departments (within both City and County government) were notified of the initiation of the program.

The Tag Enforcement Program drew upon the knowledge, experience and information available from the following resources:

- a. Wyandotte County Treasurer's Office
(both Auto License Section and Tax Section)
- b. District Attorney's Office
- c. KCK Police Department
- d. Wyandotte County Sheriff's Office
- e. County Appraiser's Office
- f. City Legal Department
- g. Sheriff's Legal Counsel
- h. County Court System
- i. Municipal Court
- j. Legal Advisor to Police Department
- k. City Code Enforcement/Neighborhood Services
- l. City Action Center
- m. Mayor's Office
- n. Wyandotte County Commissioners' Office
- o. City Department of Weights and Measures
- p. Kansas Driver's License Bureau
- q. Wyandotte County Election Commissioner's Office
- r. Kansas Highway Patrol
- s. Kansas Department of Revenue (Division of Vehicles)
- t. KDOR's Dealer Investigator
- u. Kansas Bureau of Investigation
- v. Kansas Secretary of State

(Other available resources who could be utilized include):

- w. Fraternal Order of Police
- x. Kansas Attorney General's Office
- y. Kansas League of Municipalities
- z. Kansas Peace Officers Association

(to name a few)

4. All legal ramifications had to be thoroughly discussed and fortunately we were given unlimited access to the City Legal Department and Sheriff's Legal Counsel. We also would engage the services of the District Attorney's Office, the Legal Advisor to the Police Department and the County Counselor's Office as required.
5. A coordinated record-keeping system was devised.
- a. Records re tickets written, tows, felony arrests, stolen car recoveries
 - b. Investigative reports when situations warranted same
 - c. Records as to amount of tax money recovered per year through efforts of program
 - (1) County Treasurer maintains records showing money (recovered personal property taxes)
 - (2) Records re distribution of recovered money to various governmental units.

II. PROGRAM OPERATIONS

A. INVESTIGATION

Violators of state statutes governing vehicle titling, registration, insurance and dealer compliance were investigated in a variety of ways to ensure that laws of the State of Kansas were, in fact, being violated. This investigation is necessary to protect legitimate, law-abiding citizens while determining who is actually violating any of the applicable state statutes.

1. City Action Center complaints were turned in by anonymous "tipsters" who would call to give locations of vehicles of neighbors which were not registered or improperly registered.
2. Court House hotline was established for persons with information concerning unregistered vehicles or tax evaders so that the same could be located and investigated.
3. Newspaper publicity generated community discussion about the program which further evolved into a source for further investigations. As citizens were made aware of the program, some violators voluntarily came in and complied with the laws by registering their vehicles and paying their personal property taxes. Other citizens would call and provide information as to location of improperly registered vehicles or vehicles with no tags.
4. Besides the assistance of private citizens, the program was aided by other governmental entities such as the Board of Public Utilities who would provide information.
5. Some governmental units require that their employees reside within the city or the county. If employees would drive to work with out of state or out of county tags, fellow employees and/or employers would provide information as to who the employees were. Sometimes, employers would call the employees in and direct them to comply with local laws.
6. The same sources listed above under Section B. 3. were used in investigating violations. Additional sources were also used including the following:
 - a. Agencies of other cities and counties throughout the State of Kansas
 - b. Attorney General's office of the State of Missouri
 - c. Missouri Highway Patrol
 - d. Other agencies located outside the State of Kansas
 - e. Kansas City Metro Anti-Crime Association
7. As noted above, weekly road blocks or vehicle stops were implemented as a method of nabbing violators of laws relating to licensing, titling, registration, insurance, as well as other types of violations.
8. Officer's visual observation of violators accounts for a great number of apprehended violators.
9. Related traffic offenses sometimes bring attention to violators.

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II. PROGRAM OPERATIONS (Continued)

B. ENFORCEMENT

Enforcement occurs when the officer has occasion to observe an illegally registered or unregistered vehicle being operated or parked on the public streets. Also, pursuant to recently adopted City ordinances, there are occasions when disabled, unlicensed vehicles may be removed from the owner's property in conjunction with violations of city codes.

1. Generally, enforcement is accomplished through the following procedure:
 - a. Driver of vehicle is stopped for violation of licensing requirements (no valid state tag, switched tags, out-of-state tag, etc.) and steps c. & following are implemented.
 - b. If vehicle is parked and there is no driver, if owner is available at the location, he is cited for the violations and the following steps are implemented.
 - c. Vehicle is impounded and towed to tow lot for storage until released upon payment of all current and delinquent personal property taxes, proper titling, registration, plates and insurance and payment of all towing and storage fees.
 - d. Driver or owner is taken to County jail and booked for violation of state statutes (pays bondsman and is released pending court date or remains in jail if no bond posted).
 - e. Citation(s) issued for violation(s) and given order for court appearance.
 - f. Follow through with court convictions.
 - g. If violator cannot or does not pay personal property taxes and register vehicle according to law, tow company (within discretion permitted in state statutes) must dispose of the vehicle within a certain time frame by holding a public auction and by mailing and publishing a notice addressed to the last titleholder of record prior to said sale.
 - (1) Officer must cooperate with various tow companies to ensure that all procedures have been followed in accordance with applicable state statutes.
 - (2) Officer must make sure notice is mailed and published according to law prior to sale.
 - (3) Officer must ensure that vehicles are timely put up for auction.
 - (4) Officer must ensure that vehicles are recoverable to persons in full compliance.

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POTENTIAL EXPANSION OF PROGRAM

Since the program has met with such overwhelming success, efforts have been underway over the past twelve months to expand and improve upon the program. Such efforts include prevailing upon the City and the County to provide additional specially trained manpower to work specifically in the program. Also, lobbying efforts have been made with the Kansas Legislature to tighten up laws and do away with any existing loopholes which may exist.

A. LOBBYING EFFORTS

1. Individual contact of local legislators (Wyandotte County Delegation to the Kansas Legislature).
2. Drafting of proposed legislation to be submitted to the Revisor of Statutes to be put in proper form.
3. Appearance before Legislative Subcommittee re Assessment and Taxation.
4. Working with other lobbyists with similar interests in tag enforcement:
 - a. Kansas Troopers' Association
 - b. Fraternal Order of Police Lobbyist
 - c. Kansas Treasurers' Association
 - d. Kansas Peace Officers Association

B. OTHER FUTURE PROGRAM EXPANSION

1. Additional public awareness programs
 - a. Newspaper publicity
 - b. Other outside contacts
2. Stepped up enforcement efforts
 - a. Proposed additional manpower (budget constraints permitting)
 - b. Additional training of other officers working part-time in program.



Kansas City Kansas Police Department
Tag Enforcement Unit

YEAR END REPORT

Year: 1988

Total Duty Hours:	<u>496</u>	Total Overtime Hrs:	<u>396.5</u>
addresses checked	<u>707</u>	mileage driven	<u>11166</u>
48-hr. notices	<u>204</u>	code enforc. tows	<u>70</u>
other traffic misd.	<u>131</u>	traffic infractions	<u>58</u>
tow hearings attended	<u>24</u>	Municipal Court hrs.	<u>161</u>
code enforcement hrs.	<u>2</u>	reports taken	<u> </u>
misd. warrant arrests	<u>12</u>	Part I arrests	<u>3</u>
felony warrant arrests	<u>2</u>	stolen autos	<u>1</u>
Part II arrests	<u> </u>	other arrests	<u>75</u>
tow-lot surveys	<u>10</u>	tag checkpoints	<u>32</u>
liability insur. viol.	<u>431</u>	no license tag viol.	<u> </u>
improper license tag viol.	<u>520</u>	fail. to reg. veh.	<u>475</u>
Wyan. Co. records/hrs.	<u>276.6</u>	tag enforcement tows	<u>392</u>
District Court hrs.	<u>118.5</u>	tag enforcement hrs.	<u>576</u>
administrative hrs.	<u>624.5</u>	investigative hrs.	<u>116.5</u>
parking citations	<u>206</u>	hrs. at tow-lots	<u>131</u>

5-14

Casting their nets

Roadblock catches nuns, minister

By Rick Alm
staff writer

The monk and the minister got traffic tickets. But the lawmen let the four nuns off with a warning.

For a while Wednesday, the weekly traffic roadblock run by Wyandotte County sheriff's deputies looked like an ecumenical conference.

Deputies that morning issued about 35 tickets at Nettleton and Morse roads in Bonner Springs—about the usual number for the program—for minor traffic and vehicle registration violations.

Not all of them were the usual suspects.

Among them:

- Four nuns. The license plate on their car expired about three weeks ago, said Deputy Leroy Green. "I took their word for it that it was just an oversight," the deputy said. "I just told them to take care of it."

- Randall S. Keller, a Lutheran minister who moved to Kansas City, Kan., from Wisconsin about four months ago. His car still displayed Wisconsin license plates, a violation. He got a ticket.

See Roadblock, pg. 6A, col. 4

Roadblock

continued from pg. 1A.

- Tom E. Jacobs, a Roman Catholic monk at the St. Benedict's Abbey in Atchison, Kan. Deputies gave him a ticket for driving without an operator's license in his possession.

- Reece Kuhn, the mayor of Bonner Springs. He was driving a city car that at first glance appeared to be registered in Kansas through 1998. Deputies then noticed the "86" license plate sticker had been put on upside down.

"That's an illegal display of a sticker," Deputy Terry Owens said.

The mayor didn't get a ticket, however. Deputy Owens said they let him go partly because the newspaper in Bonner Springs criticized the roadblock operation.

"The paper said we were going to get traffic too tied up."

Checkpoint coming

The Wyandotte County tag registration program has announced that it will conduct a field checkpoint in the Bonner Springs area from 8 a.m. until noon on Wednesday, May 1. Officers will be operating a checkpoint to determine if vehicles have current license tags, proof of insurance and that drivers have current licenses.

There is no justification for individuals not registering vehicles. Those that do not register vehicles should receive citations and should be forced to pay personal property taxes. Those individuals that fail to register vehicles hurt all Wyandotte County residents by causing taxes to be higher.

Yet, it is hard to justify the inconvenience that such checkpoints cause for law abiding motorists. It seems a bit ridiculous to cause persons unnecessary delay just to check their auto registration.

Maybe the Wyandotte County Sheriff's Department should realize that there are many on the highways that face tight schedules. Requiring these individuals to wait in line for such a check is certainly an irritating and unnecessary inconvenience. While the program may catch some violators, there are probably hundreds of other individuals who are faced with a loss of valuable time.

Yes, those that do not properly register their vehicles should be punished. But, there must be a better way to do this than to punish hundreds of motorists by wasting their valuable time. It is certainly unfortunate that Wyandotte County has not found a better method.

The real crux of the matter is that there will be hang-ups for motorists around Bonner next Wednesday. So, if you plan to travel, you might need to leave a bit earlier. If you don't, the checkpoint may cause you to be late. And, if you are late, why not let county officials know that you do not like the idea of a checkpoint to catch persons guilty of a misdemeanor offense.

Remember When

Kansas City, Kan., a dealer facing several charges of illegal sales practices was named again Wednesday, this time in a city charge of unlawfully abandoning disabled vehicles.

City and Wyandotte County law enforcement officials said seven vehicles, apparently owned by Thomas M. Moore, owner of Credit Motors Inc., were found in a vacant lot Monday near Seventh Street and Pacific Avenue.

Mr. Moore, whose business is at 15 S. Seventh St., is one of 20 local used car dealers or sales persons charged in recent weeks with misdemeanor counts of failing to deliver titles to auto buyers within 30 days as required by state law. Seven of those persons were charged Monday, including Mr. Moore for the seventh time.

Mr. Moore, who has denied these charges, said Wednesday that the seven cars were towed without cause from the lot by the Sheriff's Department. Officials said the city had not issued a permit to store vehicles at the lot located in a residential area a few blocks south of Credit Motors.

City police and sheriff's deputies last November launched a crackdown on routine violations of state vehicle registration laws. That effort has expanded in recent weeks into a wide-ranging probe of local used car dealers' sales practices, including numerous alleged sales of improperly titled cars that had evaded state and local taxes and license fees, said Wyandotte County Sheriff's Deputy LeRoy Green.

The accused dealers themselves finance customers in most cases, according to Under-sheriff Tim Johnson. When a customer misses a weekly or monthly payment the car is repossessed and sold to someone else, he said.

The dealers collect down payments and the periodic payments, he said, but ownership of the car never legally transfers to any of the buyers until the final payment has been made. State law requires the title to transfer within 30 days of the sale.

Deputy Green said Mr. Moore told officers Monday that the seven cars were recent trade-ins but that the previous owners had lost the titles. Mr. Moore told a reporter he did have titles for each vehicle.

Tag crackdown pays, county official says

By MIKE BELT
Kansan Staff Writer

Since it was instituted one year ago, a combined Wyandotte County-Kansas City, Kan., program to crack down on county residents who are not properly registering their vehicles and avoiding paying local vehicle taxes has resulted in the collection of \$1.75 million by the treasurer's office.

County Treasurer Mary Ladesic, who along with Sheriff John Quinn pushed for funds to support the program, told county commissioners last week the crackdown had been a huge success. The program was begun in the fall of 1984 when two sheriff's deputies and a KCK police officer were assigned to the tag enforcement team.

"I want to commend the commissioners on their foresight in appropriating the funds for this program," Mrs. Ladesic said. "It has been very successful, to say the least. It has been successful because of the people we have working for the program."

The crackdown was instituted because officials believed there was a serious problem with local residents who were registering their vehicles in other counties to avoid paying higher Wyandotte County taxes. Some were also getting vehicle licenses in Missouri in an effort to circumvent a Kansas law that requires vehicle owners to have liability insurance on their vehicle.

As part of the crackdown, the tag enforcement team last spring began a weekly series of vehicle checkpoints at certain locations in the county. The checkpoints were set up for a few hours every Wednesday morning. Officers stopped all vehicles passing through the particular intersection and drivers were checked for proper licensing and insurance coverage.

Since the vehicle checks were begun, 1,188 arrests have been made, 1,888 vehicles have been towed and 3,284 tickets have been issued.

In addition to the vehicle



MARY
P. LADESIC

checkpoints, officers have also followed up on tips called in by the public concerning others who were violating the registration laws. And contacts were made with violators (9,698) by officers who noticed illegal registrations being displayed while on routine duty.

Undersheriff Tim Johnson said officers didn't realize at first how effective the checkpoints were going to be.

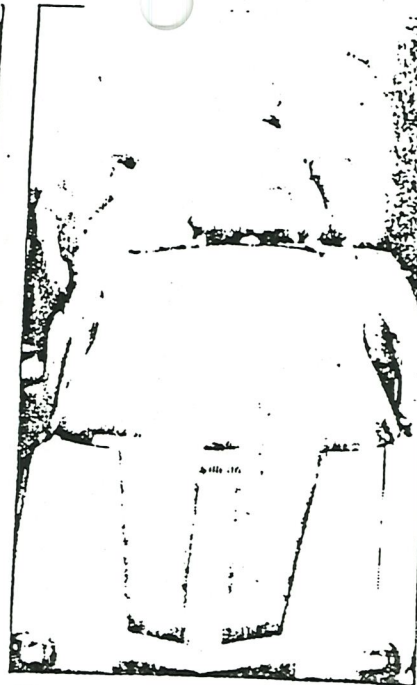
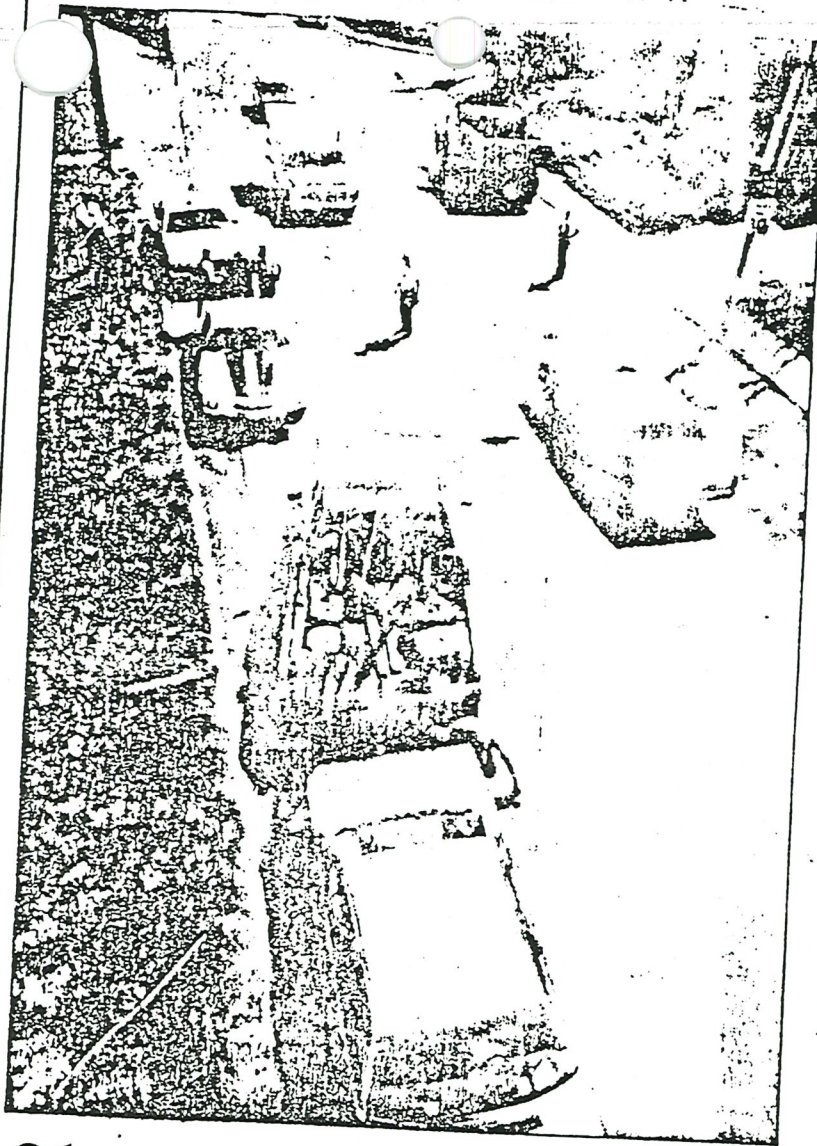
"After the first month we became aware that this would have a tremendous impact on the registration violators," Johnson said. "Since then it has continued to be an effective measure."

"This has been an excellent program for recovering taxes," he continued. "It has also been very beneficial in enforcing the insurance regulations. There are still a lot of violators out there but we are having an influence on them."

Johnson said the checkpoints will be continued through the winter when weather will permit. He said no major changes are expected in the tag enforcement program this next year nor in the way the checkpoints are conducted. Officers will, however, review working procedures and make minor changes in the way the cars are checked if necessary.

Kansas City KANSAN (November 10, 1985)

5-18



Wyandotte County sheriff's deputies stopped all traffic Wednesday morning at a roadblock, left, set up on Metropolitan Avenue near the 18th Street Expressway in Kansas City, Kan. The checkpoint netted 22 arrests, including the one pictured above. (staff photos by Jim McTaggart)

Sheriff revives roadblock program

Wyandotte County again checking all drivers

By The Star's staff

Wyandotte County sheriff's deputies arrested 22 persons Wednesday at two roadblock checkpoints set up in the southern part of Kansas City, Kan.

The checkpoint program, abandoned two years ago, was resurrected last week and will be operated every Wednesday, officials said. No vehicle will be allowed to pass until a check has been made of its driver and registration.

A Kansas City, Kan., woman

arrested Wednesday was wanted by Utah authorities on a felony bad check charge. Deputy LeRoy Green said Utah officials were pressing to extradite the woman for prosecution.

He said Utah authorities agreed to drop the charges if the woman would wire money Wednesday afternoon to cover the checks, and she was released from the Wyandotte County Jail to make those arrangements.

Three other persons were arrested Wednesday on warrants issued by municipal traf-

fic court judges, he said.

Drivers stopped Wednesday were cited for 45 vehicle-related violations, including expired drivers licenses and driving without proper insurance.

Deputies said 20 vehicles were towed after the drivers were arrested and booked in the county jail. The roadblocks were set up at 18th Street and Metropolitan Avenue and at 19th Street and Ruby Avenue.

Next Wednesday, the roadblocks are expected to be set up in the Rosedale area.

Crackdown on plates begins

By BOB FRISKEL
Kansan Staff Writer

A crackdown on improperly licensed vehicles has begun, city and county officials announced today in a press conference at City Hall.

A city policeman and sheriff's deputy have been assigned to check for possible violations, they said. The officers will work full-time and alternate using a city and county vehicle. A third sheriff's deputy will join the enforcement unit after Jan. 1, said Sheriff John Quinn. Police field officers also have been directed to file reports on cars seen parked here for long periods with out-of-county tags.

On the special enforcement unit are Deputy Leroy Green and Officer Ronald Hoyler.

About 5 percent of the vehicles in Wyandotte County are registered outside the county, estimated Councilman Bud Neath.

He commented, "The improper registration of vehicles here costs our state, county and city just and due revenue, and thereby costs our citizens who are complying with our Kansas law. They pay higher taxes because the needed revenues

are not being paid by 100 percent of our citizens."

Neath said that said residents here may have their cars licensed in Missouri because it does not require insurance, and some residents may license their cars in smaller Kansas counties where insurance costs are lower. "In our city, automobile rates are excessive and that is probably a factor," he said.

City Administrator M. James Medin said his car insurance rates here are about double the amount he paid in Fond du Lac, Wis.

"We are not out to levy large fines on citizens in violation," Neath said, "but rather we want them to know that we expect them to come in and properly register their vehicles and pay their just tax. If they don't comply, fines as well as fees will become a likelihood."

Quinn said violators can be checked through voter registrations, records of their children being in school here and through complaints of neighbors. Many complaints have been received and are being checked, he said.

District Attorney Nick Tomasic noted that fines will be set by the District Court judges.

KANSAN NOV. 16, 1984

5-20

Tag crackdown to resume

By BILL KITCHEN
Kansan Staff Writer

A crackdown by the county to correct problems of county residents licensing vehicles in other counties and states will resume Tuesday.

Wyandotte County sheriff's officer will begin a series of weekly traffic checks Tuesday morning. This week's check points will be in the Turner area, said Undersheriff Tim Johnson.

In addition, the county is asking for persons to again call in possible

violations. That number is 334-0317.

Johnson said this year persons wanting to know the disposition of the investigation of the complaint can obtain it.

"Last year we had no way of letting people know what the investigation showed," Johnson said. "In some cases there were violations and in others there were not. This year we will ask people for their telephone number or addresses so we can let them know, if they want us to."

Last year, media notice of the planned crackdown led to many

county residents voluntarily coming in and switching to Wyandotte tags.

In all the county collected nearly \$50,000 in property taxes that were not being paid. In cases where motorists were stopped, they were given three weeks to correct the problem. At the time the situation was corrected, the ticket was in turn dismissed.

"All we want is for the people that live here to register their vehicles and pay taxes here like everyone else," said County Commissioner Clyde Townsend. "That's makes it more fair for everyone."

A four-man unit, including two officers and two reserves, will conduct the traffic checks from 8 a.m. to 3 p.m. The sheriff's office will announce on a weekly basis the upcoming location for the traffic checks.

Another new feature this year will include a written notice which will be left on cars or at homes where vehicles are found to be illegally registered.

"This will serve as a notice to that person that we are aware of the problem and will be following it up," Johnson said.

County to renew car crackdown

By BILL KITCHEN

Kansan Staff Writer

After collecting nearly \$50,000 in motor vehicle taxes in a crackdown on vehicle registration violations last year, a renewed effort is scheduled next month.

Wyandotte County Undersheriff Tim Johnson said final plans are being made to begin random vehicle motor checks through out the county.

"We are planning to start again in May," Johnson said.

County officials said they were pleased with last year's crackdown, which resulted in many people voluntarily coming in and register-

ing their vehicles in Wyandotte County following publicity on the crackdown.

County Commissioner Clyde Townsend helped formulate the plan in an effort to have persons living here pay Wyandotte County taxes.

"We want to put an end to people registering in Missouri or other counties in Kansas to avoid paying taxes here," Townsend said.

As part of the crackdown, the county established a hot line number for county residents to phone in possible violations to sheriff officials. Johnson said that will be continued and he hopes to improve on the followup procedure.

"If people would be willing to give us their name confidentially, then we could report back to them what the investigation revealed," Johnson said. "We received some complaints last year that we didn't check on some of the reports."

Johnson said in some cases there was no violations, such as a business vehicle being registered at the person's place of work.

"But, for the most part, we were very pleased with how things went," Johnson said.

The crackdown originally was intended to be a joint effort of the city and county. But the city police were not allowed to participate in

ticketing or traffic checks because registration violations are not in the city traffic code and are classified as state violations.

Johnson said sheriff reserves will be used this year to complement full-time deputies.

"By having reserves work two days a month we will be better able to investigate reports of violations and conduct the traffic stops," Johnson said.

As last year, the sheriff's office will publically announce where the traffic stops will be. Johnson said tickets issue against violators will be dismissed by the sheriff's office if the problems are corrected within a three-week period.

12-5
MAY 1983

County winning war

Wyandotte County is winning the war against improper vehicle registration through a diligent crackdown that now has been backed by a court test.

County officials have long thought the law, with respect to residency requirements as they relate to personal property taxes, has been on their side. The court confirmation will enhance the efforts to recoup money being lost by illegal registrations.

The court appeal by a local resident, who licensed his vehicles through property he owned in another county, was not unexpected.

The Kansas State Board of Tax Appeals was quick to side with the county, ruling the law is clear that a person's domicile is where the vehicles are to be registered.

County officials are to be commended for their efforts in saving taxpayers a bundle.

Over the years the county has lost thousands of dollars in personal property tax on vehicles which have been paid into surrounding counties and to Missouri.

The county's massive effort, begun last year, involved weekly traffic stops to check registrations. The program, because of advance publicity, led many violators to rectify their situations voluntarily.

Some surrounding counties aren't too pleased with Wyandotte's action, because they are being forced to make prorated refunds of taxes paid.

Of course, the main reason residents license vehicles outside Wyandotte County is to secure a lower tax rate.

KANSAN (JUNE 20, 1983)

5-23

State training requirements force county to abandon program

by Ian S. Simpson

Because state training requirements have taken men off the job, the Wyandotte County Sheriff's Department stopped searching for area residents of registered motor vehicles outside the county.

County officials hope next year to reinstate the program, which has generated thousands of dollars in additional taxes.

Undersheriff Tim Johnson said the department last week disbanded a team of

officers responsible for finding county residents who registered their vehicles in other counties or states to keep from paying Wyandotte County taxes.

Mary Ladesic, county treasurer, said the program collected at least \$50,000 in taxes from county residents since it began 18 months ago.

The team broke up when the deputy in charge of it was reassigned to the road patrol. He replaced a sergeant on that patrol who had been transferred to train other officers and bring them up to state standards, Undersheriff Johnson said.

He said a interpretation last month by Kansas Attorney General Robert Stephan tightened certification of law enforcement officers. The attorney general said all officers must meet the state requirements of 320 hours of training before joining a department.

Previously, Undersheriff Johnson said, the Sheriff's Department required only that its patrol officers—not administrative and other personnel—meet the state standards.

Mr. Stephan's ruling, the undersheriff said, "is really quite good . . . We'll be a better department when (the training) is

over."

He said 18 officers, including Wyandotte County Park Department rangers, will require instruction. Undersheriff Johnson added that department personnel would train the officers in two eight-week sessions this winter and spring.

The deadline for complying with the ruling is June 30, he said.

De Miller, a Wyandotte County spokesman, said the county commissioners favor keeping the program but probably would suspend it rather than try to hire new personnel to run it.

STAR SEPT 21, 83

Residents respond to crackdown

Wyandotte County officials believe a public awareness program has led to many residents voluntarily correcting motor vehicle tag violations.

During Tuesday's weekly traffic stops in the Turner area (47th and Shawnee, 55th and Metropolitan), only one citation was issued to a county resident who had his vehicle registered in another county.

Undersheriff Tim Johnson said many of the persons stopped in recent weeks have told officers they recently switched to proper registration because of newspaper articles.

"We've run into numerous people who had been violators but after reading about our crackdown in *The Kansan* resolved the problem," Johnson said.

Sheriff officials to date have investigated more than 100 of the 300 reports offered by the public in the county's plea for the public's help on locating violators.

"We are running down each report and we now have developed a system where we will be able to check the reports," Johnson said.

Johnson said no decision has been reached on what area will be subjected to the traffic stops next Tuesday.

The KANSAN (Oct. 21, 1982)

250 reported tag violations checked

By BILL KITCHEN

Kansas Staff Writer

Local law enforcement officers have received some 250 reports of suspected license tag violations after the county announced it would crackdown on improper vehicle registrations.

Wyandotte County Undersheriff Tim Johnson said some of the reports may have been on the same vehicle, but each one is being checked.

The crackdown is to collect taxes due to the county from local residents who license their vehicles in Missouri or other Kansas counties to avoid paying taxes locally.

The county has established a hotline number for persons to report suspected violations — 334-0800. People also may mail in suspected violations to the county sheriff's office, in care of the County Annex, 9400 State.

Johnson said he expected authorities will begin making spot-checks of traffic within 10 days.

An announcement of areas which will be checked will be revealed by the sheriff's office several days in advance and published in The Kansan. Johnson said initial checks probably will be in the western areas of the county.

After the crackdown was announced, about 70 persons voluntarily went to the courthouse to get their vehicles properly tagged and pay the remaining property tax balance for the year. There will be no penalty assessed those who voluntarily come in and switch the tags to Wyandotte. Treasurer Mary P.

where the vehicle was licensed.

Persons who are caught, however, will be prosecuted and face a \$500 fine. Authorities say they will issue tickets to all violators.

"We want people to know we mean business here," said County Commissioner Clyde Townsend. "People have a chance to come in and get things taken care of. But if they get caught, we want them to face the full extent of the law."

"The people of the county who faithfully pay their taxes here deserve that kind of justice," said Townsend.

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5-25

The

KANSAN

newspaper

September

20,

1982

Registration crackdown spurs car tax collections

By MIKE BELT
Kansas Staff Writer



MARY
LADESIC

A crackdown on illegally registered vehicles begun two years ago in Wyandotte County continues to "pay dividends" and make county officials smile.

The results of the crackdown can easily be seen in the increase in motor vehicle tax collections, according to County Treasurer Mary Ladesic. With still more than three months to go in 1986, she said the treasurer's office has received more than \$13.99 million in motor vehicle tax collections.

That is an increase of more than a million dollars over tax collections in all of 1985 (\$12.66 million), which was the first full year of the crackdown program. In 1984, tax collections totaled \$9.31 million and \$7.88 million in 1983.

The program, started in late 1984, is operated by the sheriff's office in conjunction with the Kansas City, Kan., Police Department. Two sheriff's deputies are assigned to the tag enforcement team along with a KOK police officer. These officers concentrate full time on locating Wyandotte County residents who illegally register their vehicles or fail to update their vehicle registrations.

Making up the team are Sheriff's Sgt. Leroy Green, commander; Sheriff's Deputy Terry Owens; and Police Patrolman Ron Hoyler. Sheriff John Quinn said other sheriff's officers are assigned temporarily to assist with the team as needed.

"This has been the most popu-

lar thing we've ever done for the taxpayers," Mrs. Ladesic said. "When I go out and talk to groups of people this is the thing that everyone wants to talk about."

In an effort to get county residents to properly register their vehicles, the tag enforcement team has issued 2,356 citations. Many of those citations were issued during the operation of the team's weekly Wednesday morning vehicle checkpoints. Officers set up at a particular intersection and check all vehicles passing through the checkpoint for proper registration. They also check for proof of liability insurance, and other noticeable violations.

In addition to the citations, officers also ended up towing 976 vehicles, recovering 11 stolen cars and arresting five persons wanted on felony charges. At last Wednesday's checkpoint on Oe Lane, a record 97 tickets were issued, five persons were arrested for traffic and suspended driver's license charges, and two vehicles were towed away.

According to Mrs. Ladesic and Quinn, some county residents will register their vehicles in

other Kansas counties to avoid paying the higher local vehicle taxes. Others have registered in Missouri to avoid paying Kansas liability insurance requirements.

"Basically I felt that by this point we would have gotten most of the violators out there, but there are more," Mrs. Ladesic said.

Quinn agreed. "There still are thousands of them (violators) out there," he said. "We haven't got near all of them."

Both the treasurer's office and the sheriff's department continue to get tips about violators from other taxpayers.

"We get them from various sources," Mrs. Ladesic said. "People will come in here to pay their taxes and then they'll say, 'I've got this neighbor who's lived here for six years and they still have a Missouri tag on their car.' We even get tips from people who will write down addresses of people they say are violating the tag laws and put them in the envelope with their tax statement that they mail in."

Enough tips are called in to keep the three-man team busy doing the leg work necessary to check them out. And more officers could easily be used.

"These guys do a great job," Mrs. Ladesic said. "They are in here everyday checking with me when they aren't out in the field. These guys know the law extremely well."

"All we're trying to do is get people in here who are suppose to pay," she continued. "If you and I have to pay — why shouldn't they?"

Enforcement team marks busy year

By MIKE BELT
Kansas Staff Writer

The joint Wyandotte County-Kansas City, Kan., vehicle registration enforcement team had a busy 1987, recently released statistics show.

The team wrote 2,074 citations, towed 174 vehicles, made 124 arrests on misdemeanor warrants, 10 arrests on felony warrants and 281 ticket arrests. On yes, they also recovered 17 stolen automobiles.

The special team was formed three years ago as part of a renewed city-county crackdown on illegally registered vehicles. The team's primary targets are Wyandotte County residents who illegally register their cars in other Kansas counties or other states to avoid paying higher Wyandotte County personal property taxes.

Assigned to the team full time are two Wyandotte County Sheriff's officers, Sgt. Leroy Green and Deputy Terry Owens, and KCK police officer Ron Hoyler. Other sheriff's officers have been assigned on a temporary basis when needed.

Since the team was formed three years ago it has helped bring in about \$7 million in personal property taxes, according to Green, the team commander. Enforcement is continuing this year.

Many of the citations written last year occurred during the weekly vehicle checkpoints set up at various intersections in the county. Green said those checkpoints will resume when the weather warms up in April and will continue until the end of October. Operating the checkpoints has also allowed officers to find other problems as well, such as stolen cars.

This year the tag enforcement team also will be concentrating on locating violators at apartment complexes and other housing developments this year, according to Green. School parking lots also will be checked.

"I drove through some housing complexes last year and I saw so many violations," Green said. "I found numerous cars with out-of-state tags, especially Missouri tags."

Green said officers also will be checking drivers closely to see that they have current liability insurance cards with them. He said last year some expiration dates on insurance cards were found to have been altered. Some motorists were found with expired 30 and 60 day insurance cards. Kansas law requires that motorists have proof of insurance on the vehicle and when they purchase their tags.

"They would go and get car insurance for 30 days so they could purchase their tags and then they'd let the insurance expire," Green said.

The registration team gained publicity last year when it used officers mounted on horses to help at the weekly vehicle checkpoints. Green said horses will sometimes be used again this year.

"Using the horses does help and it does get attention," Green said. "One woman drove over to us because she thought we were having a parade and she wanted to see what was going on. She

(See TAGS, page 2)

They'll tag you if your tags lag

By MIKE BELT
Kansan Staff Writer

The elderly man in the red compact slowed to a stop as he rounded the corner at 14th and Ruby.

The man, bearing a puzzled look on his face, looked up out of the window at the burly police officer who stood with hands on his hips.

"Good morning," Officer Ron Hoyler said with a big smile. "Can I see your driver's license?"

The man fumbled for his driver's license and gave it to Hoyler, who then walked around to the back of the car to see if the tag was current. As Hoyler handed back the license he also asked to see the driver's auto liability insurance card, which was promptly produced.

Seconds later, the driver was sent on his way and Hoyler turned his attention to the next car.

The routine was repeated dozens of times at the intersection Thursday morning as Hoyler and three Wyandotte County sheriff's deputies stopped vehicle after vehicle to check for expired tags and driver's licenses, valid registrations and to see if drivers were carrying their insurance cards.

For some, such as the man hauling junk cars on the back of a truck, 14th and Ruby was the last intersection in the county that he should have tried to drive through. The driver was cited for having an expired tag and for not having an additional tag from the Kansas Corporation Commission.

"When you're loading and carrying cars like that, you're considered to be driving a wrecker and you need a KCC tag," explained Sheriff's Sgt. Leroy Green, head of the combined police-sheriff tag enforcement team. After only a couple of hours work, Green had already used up all but five of the 25 tickets in his ticket book.

The tag team was originally established in 1982 by the sheriff's department to track down county residents who were illegally registering their vehicles. It was later disbanded because of manpower and funding shortages only to be restarted in late 1984. At that time the KCK Police Department assigned Hoyler to the team as well.

In the spring of 1985, the tag team began setting up weekly checkpoints at different intersections in the county. The vehicles passing through the intersection during the morning hours were checked for violations. The weekly checkpoints in 1985 resulted in the arrest of 1,188 persons and the issuance of 3,284 tickets.

Last Thursday morning alone, officers issued 46 citations, arrested eight persons and towed 10 vehicles, according to Green.

Although *The Kansan* usually publishes in advance the location of the weekly checkpoints, most of those driving through the 14th and Ruby intersection appeared to be caught by surprise. One man, however, was prepared for the stop as he slowly passed through the intersection, his hand already hanging out of the window holding his license.

But at that time the three officers were away from the intersection in their patrol cars writing tickets and trying to get caught up with the violators they had already stopped. The man in the truck drove away with a shrug.

Officers have found that their checkpoints, when set up at busy residential intersections, have become a point of interest to those living in the area. At 14th and Ruby, one man sat out on his porch chair and watched, amused. Another man in a t-shirt stood out in his yard, hands in his pockets.

Last year at a checkpoint in the northeast area of the city, dozens of neighborhood residents sat out on their porch steps and made a party of the event, cheering and jeering whenever anyone was arrested, officers said.

Drivers who come up to the checkpoint and know they are going to get cited for a violation will often do anything to get out of it. One driver, in a car with an expired tag, tried to make a U-turn in the middle of the street as he approached the checkpoint. But he was stopped by Deputy T.J. Robinson.

Earlier, Deputy Terry Owens stopped a car with no tag. The driver said he had just repossessed the car, even though he had no court papers to show for it. Owens called the business the man said he worked for.

"They said he really did work for the company but he was a janitor," Owens said with a laugh. "They didn't know what he was doing with the car."

5-28

License crackdown slated by county

By BILL KITCHEN

Kansas Staff Writer

A crackdown on Wyandotte County residents who are improperly registering vehicles in other counties and states to avoid payment of motor vehicle property taxes here went into effect today.

"We are out to get those people who are tax dodgers," said County Commissioner Clyde Townsend.

The program includes a public awareness campaign in which citizens will be encouraged to call in or write in to report possible violators.

While county officials have no exact data on the number of violators, it is believed to be a major problem.

"We know it is a big problem in our county," said Townsend. "We receive too many calls and reports not to know that it is a problem."

Any person who suspects that a vehicle may be improperly registered is asked to call 334-0317 between 8:30 a.m. and 4:30 p.m. Monday through Friday.

That number will be answered by the Wyandotte County sheriff's dispatch. Written complaints should be addressed to the Wyandotte County Sheriff's Office, 2nd floor, Wyandotte County Annex, 9400 State, Kansas City, Kan., 66112.

The Kansas Sunday will publish a form which residents can fill out to report violators.

"For too long people have been cheating the county by licensing their vehicles in another county or in Missouri," said Townsend.

Assistant County Counselor Carl Cornwall, at the direction of the commissioners, has developed the program which will include courtesy motor checks.

Kansas City, Kan., Mayor Jack Reardon, who was on hand for today's announcement at the courthouse, said KCK police, along with the sheriff's department, will establish traffic stops to check on violators.

"Police will be able to check immediately if the person has a local driver's license but the tag is registered elsewhere," said Reardon. "Officers will then cite the violator."

Violation of vehicle registration laws carries a maximum penalty of \$500 or imprisonment in the county jail between 30 days and six months, or both.

The county has been working on the problem for the past six

months. Initial groundwork for the crackdown came through meetings with County Appraiser Bob Gardner and County Treasurer Mary Ladesic.

County and city officials hope the announcement of the crackdown will cause people to voluntarily resolve the problem.

"Hopefully that's what the people will do," said Mrs. Ladesic. Cornwall said it is not fair to the law-abiding people in the county who properly pay their taxes while others do not.

"We feel this public awareness effort and the random traffic stops will help us detect a large number of the violators," said Cornwall. "We will aggressively pursue those violators and get those dollars to help ease the burden off those who are paying properly."

The Kansas Highway Patrol and both the Bonner Springs and Edwardsville police will join efforts with KCK and the county in the crackdown.

All complaints received will be checked by enforcement officers. County officials say legal action will be taken against each violator.

What the average citizen must realize is that if one person is driving around with an improperly registered vehicle, that causes increased taxes for those who have been faithfully paying their taxes," said Mrs. Ladesic. "This is why a public awareness program is so vital. Without the public working with us to resolve the problem, we can only expect limited success."

State law makes it unlawful for the owner of a motor vehicle to file application for registration in any other county or state other than which the owner of the vehicle resides.

Mrs. Ladesic said there are some limited exceptions, but it does not include ownership of real estate in another county.

The major problem is people who use false addresses to escape paying taxes to Wyandotte County.

Reardon said he has discussed the crackdown with Police Chief Allan Meyers and promised the full cooperation of the city's police department.

"We want the people to know, through the news media, that we are very serious about this," said Reardon. "The best thing for people who know they are violators to do is to come in and get the problem taken care of before they are caught."

5-29

KANSAS CITY KANSAN, Wednesday, April 22, 1987

Police to target illegal vehicles

By MIKE BELT
Kansan Staff Writer

The owners of unregistered or illegally registered vehicles parked at apartment complexes in Wyandotte County are being targeted this year for citations by a local law enforcement team.

The team, made up of two Wyandotte County sheriff's officers and one officer from the Kansas City, Kan., Police Department, will be going onto apartment complex parking lots to locate illegal vehicles later this summer, according to Sheriff's Sgt. Leroy Green. The operation will be conducted in conjunction with apartment managements.

Green, who is commander of the county's tag enforcement team, said the sheriff's department has on file letters from many apartment/complex managers who have requested help in the past with getting rid of unregistered vehicles. Many of the vehicles, Green said, are broken down or little-used by the owners.

Also to be targeted are apartment dwellers who are registering their vehicles in other Kansas counties or in other states.

Green said. Many license violators will register their vehicles outside of Wyandotte County to avoid paying a higher local personal property tax, he said. They may also be trying to get around a Kansas law that requires proof of liability insurance in order to get a license tag.

The law officers will be checking or re-checking with the apartment managers to get authorization to go onto the private properties. They will also be asking for authorization from the KCK Public Housing Authority to enter its properties to check vehicles as well, Green said.

"We can't hit all of the complexes, but we certainly think we can hit most of them," he said.

With warmer weather now here, the tag enforcement team is entering its busiest time of the year. The team was scheduled to start its weekly traffic checks this morning at 41st and Victory Drive. Officers were to stop vehicles at the intersection to check for proper registrations, current drivers' licenses, proof of liability insurance and to see if seat belts are fastened.

"We'll be paying particular attention to driver's licenses this year," Green said. "In the past we've run into a lot of people who

have suspended driver's licenses or who have incorrect addresses on the license. People need to realize that they should contact Topeka, and let them know when they move. They need to change their address on their license as well. The state will send license information to them at the old address, and if they've moved, it will just get sent back."

Past investigations into illegally registered vehicles have led officers to discover that some local car dealers are also at fault, Green said. He described these auto businesses as "third and fourth rate dealers" who will sell a car to an individual but then illegally hold onto the car's title until the car is paid off.

"These are dealers who simply pop up now and then and may have only five to 10 cars to sell," Green said.

The tag enforcement team was started about three years ago to crack down on Wyandotte County residents who are illegally registering their cars outside of the county or failing to register at all. In addition to Green, Deputy Terry Owens and KCK Police Officer Ron Hoyler are assigned to the team. Other sheriff's officers are temporarily added when needed.

5-30



Rick Alm

Sheriff's office's good news is bad for tax dodgers

With all the bad news coming out of the Wyandotte County Sheriff's office these days, it's reassuring to find one activity there still dedicated to law enforcement.

The department's four-year-old crackdown on illegally registered motor vehicles is regarded as a model program statewide.

In a study made public last week, the Legislative Post Audit Committee—a watchdog outfit in Topeka not in the habit of saying too many nice things about its colleagues in government—applauded the unique program and urged its use elsewhere.

Bemoaning the lack of information-sharing by states on automobile purchases and registrations, the committee concluded that personal property tax dollars lost to Kansas and local governments from car-tax dodgers is huge, but cannot be estimated.

"The one county with a formal system—Wyandotte County—did report that the program has collected approximately \$7 million in property taxes since 1984," the report said.

Seven million dollars.

That money, for schools and threadbare local government treasuries, is being collected from mostly errant, but sometimes just forgetful citizens thanks, in large part, to the efforts of two officers: Sheriff's Deputy LeRoy Green Jr. and Kansas City, Kan., police Patrolman Ron J. Hoyler, who has been attached permanently to the team since the beginning.

In good weather, the officers set up weekly roadblocks at announced locations to check motorists for proper vehicle registration in their home state and county, proper insurance, up-to-date driver's licenses and the like.

Otherwise, they investigate citizen tips phoned to City Hall's Hotline (573-5190) and patrol side streets and

The team, which periodically uses a third officer, has an impressive scorecard since 1985: 12,871 tickets issued; 6,058 improperly registered cars impounded; 2,610 persons arrested (including a few wanted felons occasionally caught in the roadblocks); and 46 stolen cars recovered.

★ ★ ★

The audit committee report disclosed one unsettling fact that will come as no surprise to most Wyandotte County taxpayers.

The panel examined the cost of registering a car in the state's 20 largest counties. For purposes of the study, the panel—rather unpatriotically—calculat-

ed the taxes and registration fees for a 1987 Honda Accord LX.

Wyandotte County posted the highest rate—\$470—for the Japanese wheel. The registration fee and tax bite for the same car came to only \$201 in neighboring Jackson County.

The lowest fee and tax bill in Kansas—\$312—was imposed by Cherokee County, in the state's southeast corner.

Until Wyandotte County brings its taxes down from the stratosphere, or until the rest of the region catches up, Hoyler and Green are going to remain very busy.

and back on the lot waiting for the next sucker.

The worst of the dealers wouldn't transfer the title until the last payment was made—which was the unlawful flaw in the scam that the "tag team" discovered.

Hoyler said this week that title transfer problems with auto dealers—new and used—is a continuing problem that appears to be getting worse lately. A new wave of actions against the worst offenders among local dealers is gearing up, he said.

It would help if the City Council acts quickly in fulfilling its promise to assign a second full-time patrolman to the crackdown unit.

parking lots around the county on the lookout for tag violators.

Their task is not glamorous police work, but it is one of those jobs that somebody's got to do.

Green and Hoyler do it very well. Three years ago, for instance, their labors uncovered a pattern of unlawful auto titling practices and unscrupulous sales activities by some used car dealers.

The scam, which netted about 10 so-called "payday" dealers, had been ripping off the poor who often are forced by circumstance to buy third-rate clunkers—or walk.

When customers missed one of their weekly payments, usually \$25 or \$50, the car was gone by morning, repossessed

Alm

continued from pg. 1

5-31

Kansas City KANSAN Newspaper (3/27/85)

Car dealer fined

A Kansas City, Kan., used car dealer was fined \$1,000 in Wyandotte County District Court Monday after he entered a plea of guilty to seven counts of failure to deliver automobile titles to customers.

The dealer, Thomas Moore, who owns and operates Credit Motors, 53 S. 7th, agreed to abide by state law in revising his procedures to include the delivery of car titles with each car sale. The state law requires that must be done within 30 days of the sale.

Associate Judge Donald A. Hardy ordered Moore to pay the \$15 court costs. Sentencing will be at a later date. The maximum penalty for such a conviction could include a jail sentence of up to six months, said Nick A. Tomasic, county district attorney.

Similar cases involving four other KCK dealerships are pending.

The indiscretions came to light when a special investigative team of Wyandotte County Sheriff's deputies and a city police officer began looking into reports of local residents getting out-of-state license tags to avoid paying Wyandotte County taxes. That investigation led the officers to scrutinize car dealers who were selling cars to customers but keeping the car's title while the customer makes payments, which is illegal.

5-32

Car dealer fined

A Kansas City, Kan., used car dealer was fined \$7,000 by Wyandotte County District Court Monday after pleading guilty to seven counts of failure to deliver titles to customers.

The dealer, Thomas Moore, who owns and operates Credit Motors, 33 S. 4th, agreed to abide by state law in revising his procedures to include the delivery of car titles with each car sale. The state law requires that must be done within 30 days of the sale.

Associate Judge Donald A. Hardy ordered Moore to pay the \$15 court costs. Sentencing will be at a later date. The maximum penalty for such a conviction could include a jail sentence of up to six months, said Nick A. Tomasic, county district attorney.

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Only two persons were arrested and 45 citations were issued Wednesday by Wyandotte County sheriff's officers and Kansas City, Kan., police during vehicle registration checks set up in the Argentine district.

According to Deputy Leroy Green, most of the citations were written to drivers for expired tags, switched tags, various driver's license violations and to local residents displaying Missouri tags. In addition, 10 vehicles were towed and impounded.

Green said three persons were arrested because it was learned they had outstanding warrants out for them. A felony warrant had been issued for one person for writing worthless checks and two others taken into custody were wanted on warrants issued by the police department. Officers also arrested one illegal alien.

Drivers were stopped at two locations during the four-hour checks at 18th and Ruby and 18th and Metropoliton. The checks are being made by a combined police and sheriff team set up late last year to locate Wyandotte County residents who are illegally registering their vehicles. Officers operated a check point last week in northeast KCK that resulted in the issuance of 55 citations.

Green said a check point will be set up next Wednesday morning somewhere in the Rosedale district. The checks will be continued through the summer.

Car dealer fined

A Kansas City, Kan., car dealer was fined by a Wyandotte County judge Wednesday after the dealer pleaded guilty to six charges of failure to deliver vehicle titles to his customers.

Louis M. Novello, of Jim Dandy Motors, 1428 Minnesota, was fined a total of \$870 for the charges by Associate District Judge R. David Lamar. The fines handed down amounted to \$60 in fines and \$85 in court costs for each charge.

Novello was one of several car dealers arrested last month in a crackdown on alleged illegal practices in selling cars to consumers. Titles must be transferred from the dealer to the purchaser of a vehicle in 30 days after the purchase, according to state law.

Sheriff to check cars

Wyandotte County sheriff's officers will be checking vehicles for registration violations at check points to be set up in the northeast sections of Kansas City, Kan., Wednesday morning.

Undersheriff Tim Johnson said officers will make a quick examination of a person's driver's license and the vehicle's tag at the check points. He said most checks will take about 20 or 30 seconds. If a problem is discovered, according to Johnson, the driver will be asked to pull the vehicle off to the side of the road so further checks can be made.

The check points are being used as part of a continuing effort to locate registration violators and those who may have expired driver's licenses or no liability insurance.

Sheriff's officers plan to conduct the checks once a week in various parts of the county. The general locations will be announced through area newspapers in advance.

5-33

Fourth KCK car dealer found guilty

By The Star's staff

4-12-85
A fourth Kansas City, Kan., used car dealer has been found guilty in Wyandotte County District Court on a charge of engaging in improper sales practices.

Lawrence W. Collins, 47, co-owner of B & L Investments, 30 S. 10th St., entered a no-contest

plea Tuesday to one count of failing to deliver a vehicle title to a customer within the 30-day deadline set by Kansas law.

Two identical charges against his partner, Bill Cobb, and one other charge against Mr. Collins were dismissed, said Daniel L. Doyle, an assistant county prosecutor.

Other title charges have been

filed in recent weeks against about 20 other dealers or saleslot employees in a crackdown by the Wyandotte County Sheriff's office on illegal sales practices.

At hearings Tuesday, similar title charges pending against other persons were continued. To date, convictions on each count have resulted in a \$60 fine, plus an \$85 court cost assessment.

Two car dealers fined

4-10-85
Two Kansas City, Kan., car dealers were fined Wednesday in Wyandotte County District Court after they pleaded guilty to charges of failing to turn over vehicle titles to their customers.

Fined were Larry Sears, owner of Central Auto Credit, 1246 Central; and Rick Larson, State Auto Credit, 2929 State. The same charges were dropped against a salesman for Sears, Doug Sears, and a salesman for Larson, Patrick Forsythe.

Larson was fined \$60 for the charge and ordered to pay \$35 in court costs by Pro Tem Associate Judge Stan McAfee who was sitting in for Associate Judge Philip Steve. McAfee, however, parolled Sears, thus reducing his fines to \$20 each on the five counts. Sears also was ordered to pay \$35 in court costs for each count, for a total of \$525.

Car check set in Rosedale

4-9-85
The Wyandotte County Sheriff's Department, with assistance from Kansas City, Kan., police, will conduct its weekly license tag, driver's license and insurance checkpoint in the Rosedale area Wednesday. The check points will be set up from 8 a.m. to noon.

Undersheriff Tim Johnson said vehicles and drivers will be checked for current and legal license tags, proof of insurance and for current and legal driver's licenses. The checks are part of a county-city program to reduce the number of vehicles operating without insurance and who are avoiding paying taxes by operating vehicles with illegal and out-of-state license tags.

5-34

A third defendant has pleaded guilty in Wyandotte County District Court to a charge of improper sales practices in a used-car case.

John Shockey, a salesman at Sav-On Auto Sales Inc., 6754 Kaw Drive, Kansas City, Kan., entered a guilty plea Thursday to one count of failing to deliver a title to a customer within the 30-day deadline set by Kansas law.

Companion charges against Sav-On co-owners Ouida Shockey, who is John Shockey's wife, and Dale and Janet Sharp, were dismissed, said Daniel L. Doyle, an assistant

Wyandotte County prosecutor.

Similar charges have been filed in recent weeks against 20 dealers and sales employees in a crackdown on alleged unlawful sales practices at several used-car lots.

Races new KCK charge

By Rick Alm

staff writer

A Kansas City, Kan., auto dealer facing several charges of illegal sales practices was named again Wednesday, this time in a city charge of unlawfully abandoning disabled vehicles.

City and Wyandotte County law enforcement officials said seven vehicles, apparently owned by Thomas M. Moore, owner of Credit Motors Inc., were found in a vacant lot Monday near Seventh Street and Pacific Avenue.

Mr. Moore, whose business is at 53 S. Seventh St., is one of 20 local used car dealers or sales persons charged in recent weeks with misdemeanor counts of failing to deliver titles to auto buyers within 30 days as required by state law. Seven of those persons were charged Monday, including Mr. Moore for the seventh time.

Mr. Moore, who has denied those charges, said Wednesday that the seven cars were towed without cause from the lot by the Sheriff's Department. Officials said the city had not issued a permit to store vehicles at the lot, located in a residential area a few blocks south of Credit Motors.

City police and sheriff's deputies last November launched a crackdown on routine violations of state vehicle registration laws. That effort has expanded in recent weeks into a wide-ranging probe of local used car dealers' sales practices, including numerous alleged sales of improperly titled cars that had evaded state and local taxes and license fees, said Wyandotte County Sheriff's Deputy LeRoy Green.

The accused dealers themselves finance customers in most cases, according to Under-Sheriff Tim Johnson. When a customer misses a weekly or monthly payment the car is repossessed and sold to someone else, he said.

The dealers collect down payments and the periodic payments, he said, but ownership of the car never legally transfers to any of the buyers until the final payment has been made. State law requires the title to transfer within 30 days of the sale.

Deputy Green said Mr. Moore told officers Monday that the seven cars were recent trade-ins but that the previous owners had lost the titles. Mr. Moore told a reporter he did have titles for each vehicle.

5-35

Viewpoint

Our view

KANSAN (3-7-85)

Dishonest dealers being flushed out

This is not a good time to be a dishonest car dealer in Wyandotte County. The law is starting to catch up with dealers who allegedly have been illegally repossessing cars, advising buyers to list false Missouri addresses, and failing to turn over a vehicle's title to the purchaser. Those are just some of the charges being investigated by the district attorney's office and law enforcement officers. Some charges already have been filed.

The investigations — should they bring convictions — should serve as a warning to dishonest car dealers that such practices will not be tolerated here. If the charges are found to be true, then there are a lot of people that have been taken for a ride by some dealers.

The people who have been victimized by the above practices are the ones who can least afford a car in the first place. Many of them don't really understand their rights under the consumer protection laws nor what is expected of them when purchasing a car. Reported unscrupulous practices by car dealers have created undue hardships on these consumers.

It is also interesting to note that the alleged illegalities were discovered by accident. A team of sheriff and police officers was formed late last year to investigate violations of the the vehicle registration and licensing laws. It's main purpose was to crack down on those licensing their vehicles in other counties to avoid Wyandotte County taxes or in Missouri to get around Kansas' insurance laws. Those investigations turned up the complaints about the car dealers.

Law enforcement officers and the district attorney's office are to be commended for taking strong steps to bring suspected violators to court. In addition, KCK residents are to be encouraged to report any unscrupulous tactics they might encounter when buying a car.

5-36

KANSAS CITY STAR JULY 31, 1985

Car dealers called to hearings

Owners could be fined, lose licenses

By Rick Alm
staff writer

Owners of eight Kansas City, Kan., used car dealerships have been summoned to state hearings that could lead to fines and action against their dealer licenses.

Brian Cox, a lawyer for the state Division of Vehicles, said Tuesday convictions earlier this year against the owners prompted the state Department of Revenue to request the hearings, which could lead to license revocation or suspension and fines of up to \$1,000 per offense.

Since last fall, the Wyandotte County Sheriff's office has charged more than 20 persons with misdemeanor violations of failure to deliver vehicle titles to customers within the state's 30-

day deadline.

At least 10 of those persons, mostly dealership owners, have been convicted. Charges against the others, mostly sales lot employees, were dismissed in an agreement with the prosecutor's office, officials said.

So far, seven of those convicted have been ordered to appear at hearings Aug. 20 in Topeka. An eighth dealership, Cousin Charlie Car Co. Inc., 1250 Kansas Ave., also has been summoned but has not been charged with title violations by local authorities.

Any license action ordered by the hearing officer, division director Robert Bugg, could be appealed to the courts in the dealer's home county, Mr. Cox said.

Wyandotte County authorities

said many of the convicted dealers finance their own customers. When a customer misses a weekly or monthly payment, the car is repossessed and sold. Officials said vehicle ownership never legally transfers until the final payment is made.

The following is a list of the summoned dealerships:

Credit Motors Inc., 53 S. 7th St., Central Auto Credit Inc., 1264 Central Ave., Jim Dandy Car Co. Inc., 1500 Minnesota Ave., King Auto Sales, 701 Osage Ave., D & J Used Cars, 1151 Minnesota Ave., Sav-On Auto Sales Inc., 6574 Kaw Drive, and State Avenue Auto Credit Inc., 2929 State Ave.

5-37

13 persons charged in car sales violations

By Rick Alm

staff writer

Charges were filed Tuesday and today against 13 used car dealers and salesmen at five Kansas City, Kan., dealerships, alleging failure to provide customers with legal title to their vehicles within 30 days, as required by state law.

The misdemeanor charges are being filed in Wyandotte County District Court in the first months of a planned yearlong crackdown on violations of numerous state vehicle registration laws, said county Undersheriff Tim Johnson.

Sheriff's deputies, who have been investigating improperly registered vehicles and local automobile dealerships since November, allege that scores of used cars are being sold without

titles and often at inflated prices.

The deputies have presented what they say is a longstanding pattern of illegal sales practices by some dealers who provide financing for their customers but refuse to give them title to the vehicle until the final payment has been made, said Undersheriff Johnson.

When the buyers, generally low-income persons unable to obtain financing from banks, miss a weekly or monthly payment the dealers quickly repossess the vehicles and return them to their sales lots, he said.

According to Kansas law a seller must surrender title within 30 days of the sale. The new owner is then obligated to register the title under his own name and assume responsibility for all state and local taxes and fees.

Those charged this week are

Thomas Moore, of Credit Motors Inc., 53 S. 7th St., on counts involving titles in five car sales, and Cynthia Moreno, Susan Gregerson, Michelle Lopez and Robin Thoele, all employees of Credit Motors, on one count each.

Also charged: Nicholas Novello and Dave Sehorn, one count each, for sales by the John Martin Co., 1248 Kansas Ave.; Larry Sears and Doug Sears, of Central Auto Credit, Inc., one count each; Michael Ossborn and Curtis W. Buster, of King Auto Sales Corp., 701 Osage Ave., one count each; Louis M. Novello and Joe Green, of Jim Dandy Inc., 1428 Minnesota Ave., one count each.

Similar charges against three other dealers, including Mr. Moore, were filed late last month.

If convicted, the dealers and

their employees face fines of probably no more than \$150 each, said Undersheriff Johnson, who is seeking other action by the state legislature or the Kansas Revenue Department in a move to shut down some of the dealers.

Many automobile customers have also been cited with misdemeanors and face court appearances for operating illegally registered and untaxed vehicles, he said.

The crackdown was started in November as a delinquent tax collection effort and has three officers assigned to the investigation full-time.

Undersheriff Johnson said more than a thousand drivers countywide have been questioned so far and hundreds have been ticketed for vehicle and operator violations, he said.

5-38

County probes some car dealers

By MIKE BELT
Kansas Staff Writer

Wyandotte County law enforcement officers are investigating alleged illegal practices by some local car dealerships that prevent purchasers from properly registering and licensing their vehicles.

The investigation has resulted in citations being issued to officials connected with three Kansas City, Kan., car dealerships, according to police and sheriff's officers. The citations were written for failure to deliver the vehicle title to the purchaser as required by state law and for allowing the operation of an unregistered vehicle.

Those cited were: Lawrence W. Collins, J&L Investments, operator of a car lot at 30 S. 10th; Thomas M. Moore of Credit Motors Inc., 53 S. 7th; and Michael Tomlin, Miller Automotive, 824 Osage.

The alleged illegalities were discovered by members of a combined police and sheriff officers team designated to locate owners of improperly registered vehicles in Wyandotte County. The team was established last December because county officials wanted to get tough with county residents who are improperly registering and licensing their vehicles in another county or state.

According to Sheriff John Quinn and County Treasurer Mary Ladesic, some county residents have been licensing their vehicles in other Kansas counties to avoid paying Wyandotte County personal property taxes. Others have been getting Missouri license tags to avoid having to carry liability insurance on those vehicles. In order to get license tags in Kansas, an owner must show proof that he has liability insurance. That is not the case in Missouri.

But in locating residents who are in violation of the registration laws, officers have come across another problem. Some of the citizens they have cited were driving older, used and improperly registered vehicles being purchased from local car dealers. They have told the officers the dealers will not release the vehicles' titles to them until their cars are paid off. A purchaser has to be able to show the title, however, in order to properly register and license the vehicle with the treasurer's office.

Officers who have located drivers operating vehicles without titles have had to tow the vehicles away for impoundment. Because they still have the titles, the dealers are contacted about coming and getting the vehicles, while the purchasers end up paying a fine. In addition, purchasers may have to pay the dealers the

(See DEALERS, page 2A)

Dealers

(Continued from page 1)

towing fees.

Many of the vehicles are also uninsured, according to Deputy Leroy Green and Officer Ron Hoyler, members of the tag crackdown team. They said it is illegal for a dealer to allow a car to roll off the lot without knowing the purchaser has insurance. Although a dealer can give the purchaser a 30-day sticker to be used until the title is transferred and proper registration is obtained, many of the vehicles they have come across are still using stickers issued three or four months ago.

Many of the purchasers who have been caught in the "catch-22" situation between the law and the dealer have low incomes, the officers said. The purchasers are in dire need of transportation, so they often go to dealers offering fast or easy credit in the purchase of used cars.

If a consumer gets behind on a payment, some dealers will hire their own men to repossess the car and then turn around and sell it again.

"The dealer doesn't really explain the process of buying a car," Green said. "And the poor don't really know themselves

what is required of them. They (dealers) are just taking advantage of the poor people."

Hoyler agreed. "You feel sorry for these people, but we have to do our job and cite them. But if we can bring the dealer to court and get the matter straightened out, we can ask that the citation against the (purchaser) be dismissed."

Mrs. Ladesic said the treasurer's office finds out about these types of instances when purchasers of used cars come in to handle registration. Her employees have to take the brunt of the purchasers' anger when they find out they can't get tags without a title or proof of insurance. Mrs. Ladesic, Green and Hoyler said it is up to the Kansas Division of Motor Vehicles Dealers Department to take action against any illegal practices by car dealers.

"I'm not authorized to tell the dealer what to do," Mrs. Ladesic said. "But I will personally place a call to the state motor vehicle department and let these people talk to them."

District Attorney Nick Tomasic said his office investigates a few cases of this type every year. He said his office will get com-

plaints from purchasers who either call or come by the office.

"We try to determine whether or not this is an oversight on the part of the dealer or if it is a common occurrence," Tomasic said. "If it appears this is a pattern, then we will ask the state to prosecute. We also try to help the consumer. There is usually an explanation. So far we've been successful in every instance at getting the title to the purchaser."

Green and Hoyler said they have been trying to meet with the regional representative from the motor vehicle department based in Topeka for the past week to discuss the problem. The representative, however, never did come to KCK. Contacted Friday, a public information officer said a meeting will be held between state officials and local law officers on Monday, Feb. 25.

According to Marc Woods, Topeka bureau chief with the Dealers Department of the Division of Motor Vehicles, a dealer convicted of refusing to relinquish a title can face fines and have his license revoked. He said consumers running into this problem with a dealer should contact the district attorney's office.

5-39

State brought in to dealership probe

Thursday, February 28, 1985

MIKE BELT
Kansas Staff Writer

Last week, a Kansas City, Kan., woman went to a downtown used car dealership to explain why she was a month behind on her car payments. She explained to the dealer she had been in the hospital for two weeks and she had been unable to make the payment on time. She said the payment would be made.

That night, the woman was at home when she heard the engine of her car running. She looked out in time to see a man driving the car away. The following day she contacted the Wyandotte County District Attorney's office.

According to District Attorney Nick Tomasic, an investigation by his office and police and sheriff's officers revealed the car had been illegally repossessed by the dealer.

In another recent incident involving the same car dealer, a man who was purchasing a 1970 Oldsmobile informed the district attorney he had not been given the title to the car by the dealer. Further investigation revealed other alleged violations of the state's consumer protection laws.

TOMASIC, COUNTY Treasurer Mary Ladesic, and law enforcement officers met earlier this week with officials from the Kansas Motor Vehicles Department to discuss these and other reported violations by local car dealers of consumer protection and registration laws. The meeting was requested by county officials in light of continuing investigations into the practice of some of the dealers.

Recent investigations by a combined team of police and sheriff officers to locate county residents who are illegally registering their vehicles has

shown many of the violators have not been given the vehicle's title by the dealer. If the purchaser misses a payment, then the car is repossessed. In addition, many of them don't have liability insurance.

According to Tomasic, a dealer who keeps the title to a car being purchased is in effect illegally renting the car. He said some dealers are also keeping an extra set of keys to the vehicle without telling the purchaser, also a violation. Tomasic said he is in the process of filing petitions under the consumer protection code against several dealers now under investigation. He said dealers convicted of the illegal practices could be fined and even have their dealer's license revoked.

In the case of the woman, Tomasic said the dealer had turned over the title to her and an application had been made for proper registration. "This

was her car. All she did was miss one payment and it was repossessed," he said.

Tomasic said a dealer can't repossess a car unless he can show that something is going to be done to the vehicle, such as stripping it or hiding it. As for missing a payment, he said the purchaser has to be given "a notice of right to cure a default," or in other words, a notice to make the payment.

INVESTIGATORS have also found some dealers are instructing purchasers to put down a Missouri address on the purchase papers in order to avoid having to register the vehicle in Wyandotte County and thus having to show proof that liability insurance on the vehicle has been obtained. Proof of liability insurance is not needed to register a vehicle in Missouri. The purchaser also avoids

having to pay Kansas sales tax on the vehicle.

"You have to have insurance before you can drive a car off a lot," Tomasic said. "If you live in Missouri, you have 24 hours to drive the car to Missouri. These dealers know that."

Deputy Leroy Green, a member of the registration investigation team, said he hopes the meeting with state officials will result in better cooperation between Wyandotte County and the motor vehicles department. He said it is that department's responsibility to follow up on complaints about car dealers.

"It's really getting out of hand," Green said. "They (dealers) are just taking money from the people. No one has bothered to say much about this in the past because these people didn't really have the knowledge of what is expected of them when they buy a car."

5-40



SEDGWICK COUNTY, KANSAS

TREASURER

Jerry McCoy

SUITE 107

COUNTY COURTHOUSE, WICHITA, KANSAS

MAILING ADDRESS: P.O. BOX 2909, WICHITA, KANSAS 67201-2909

PERSONAL PROPERTY TAXES/VEHICLE REFUNDS
REAL ESTATE TAXES

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388-7414

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CASHIER

316-888-7113
388-7561
388-7348

January 25, 1993

Betty McBride
Director
Division of Motor Vehicles
Kansas Department of Revenue
2nd Floor
Docking State Office Building
Topeka, KS 66626-0001

Dear Betty,

After many taxpayer complaints, I initiated an Out-of-State Tag Enforcement Program in August, 1990 which substantially duplicated Wyandotte County's very successful, similar Program. After extraordinary initial results, the Program was funded by the County Commissioners and transferred to the Sheriff with 3 full time (2 officers, 1 clerk) assigned to monitor compliance.

Sedgwick County's Tag Enforcement Program has resulted in a tax impact of \$4,568,190 from 14,094 out-of-state registered vehicle owners contacted since August, 1990 or about \$2.8 million per year. These amounts represent initial collections only and do not include the increased tax revenue due to the legal Kansas vehicle re-registration in each subsequent year.

A Legislative Post Audit report several years ago estimated that 7% of all vehicles housed in Kansas are registered out-of-state. I estimate that non-compliance with Kansas vehicle registration laws in metropolitan Sedgwick County to be closer to 10% with our transient population. Increasing vehicle registration requirements will provide a rare opportunity to increase tax collections from Vehicle registration scofflaws without increasing taxes for Kansas registered vehicle owners. I estimate if only 5% of non-Kansas registered vehicles were registered locally within 30 days instead of the current 90 days, Sedgwick County would collect \$2,650,000 in additional escaped taxes each year with the stricter registration requirements.

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I propose the following:

1) Increased compliance with Kansas registration laws can be achieved by changing current statutes to reduce the amount of time before a new Kansas resident must register in Kansas, from the current 90 days, to: immediately with a 30 day grace period. Late registration tax penalties of 10% of the vehicle tax amount for each 15 day delay beyond the 30 day period, up to a maximum of a 100% tax penalty, should be assessed. This penalty could be used by counties to fund compliance efforts. The rapid escalation in penalty amounts will serve to encourage the timely registration of out-of-state registered vehicles. Since current Department of Motor Vehicles regulations now provide for an immediate, pro-rated tax and tag refund when a Kansas resident moves permanently to another state, this change would be consistent with taxing only during the term of Kansas residency.

2) Out-of-state registered vehicles sometimes do not meet Kansas minimum insurance requirements and can provide a potential loss to Kansas residents in case of an accident. Without Kansas registration, there is no mechanism to monitor the Kansas insurance requirements.

3) The penalty for driving with an illegal/stolen decal should be increased to an automatic 100% tax penalty. The current statute providing for up to a \$2500 fine and/or up to 6 months in jail has not been a deterrent. Very few are prosecuted and any fine assessed does not go to the County to replace the revenue lost from illegal registrations.

4) Local vehicle registration would have the added benefit of providing local law enforcement with a current record with a local address.

I look forward to working with you this year to improve tax fairness for our honest taxpayers.

Sincerely,



Jerry McCoy
Sedgwick County Treasurer

JM/jq

5-42

PROPOSED AMENDMENT TO HB 2088

On page 5, in line 6, by inserting "(a)" before "All"; following line 15, by inserting a new paragraph to read as follows:

"(b) Any person who has not listed a recreational vehicle for property tax purposes for any tax year prior to January 1, 1994, or who has not otherwise paid personal property taxes due on the recreational vehicle for any such tax year, thereby subjecting such person to the late filing penalties provided by law, shall not be liable for payment of personal property taxes or penalties due on the recreational vehicle for any such prior tax year, if such person pays when due in the 1994 tax year the taxes levied on such recreational vehicle under this act and thereafter registers such recreational vehicle pursuant to the provisions of article 1 of chapter 8 of the Kansas Statutes Annotated."

2/16/93

House Taxation Cmte

Attachment 6

PROPOSED AMENDMENT TO HB 2088

On page 2, in line 10, by inserting after "title" the following: "or, if the shipping weight is not reflected on the certificate of title, it shall be the weight determined by a scale which is tested and inspected annually by a scale testing and service company licensed pursuant to K.S.A. 1992 Supp. 83-301 et seq., by a city or county having an established department of public inspection of weights and measures or by the state sealer or the state sealer's authorized representative. The manner and form for submitting to the county treasurer the weight of a recreational vehicle determined by a scale so tested and inspected shall be as prescribed by rules and regulations of the secretary of revenue.";