

Approved: 3/21/94
Date

MINUTES OF THE HOUSE COMMITTEE ON TAXATION.

The meeting was called to order by Chairperson Keith Roe at 9:00 a.m. on March 16, 1994 in Room 519-S of the Capitol.

All members were present except:

Representative Grotewiel, excused
Representative Lahti, excused
Representative Welshimer, excused

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

Conferees appearing before the committee:

Senator Don Sallee
Senator Phil Martin
Gordon Garrett - Commercial Property Association of Kansas
Richard Rodewald - taxpayer
Willie Martin - Sedgwick County Commissioners
Bev Bradley - Kansas Association of Counties
Larry Clerk - Kansas County Appraisers Association
Murray Nolte - Johnson County Commissioners
Paul Welcome - Johnson County Appraiser
Mark Buhler - Douglas County Commission

Others attending: See attached list

The minutes of March 15, 1994, were approved as read.

Chairperson Roe opened the hearing on SB 620.

SB 620 - refunds of protested property tax; interest, attorney fees and court costs.

Senator Don Sallee testified in support of SB 620 and briefly explained the provisions of the bill. He said that taxpayers, in many instances, have trouble getting justice regarding the appeal process. Senator Sallee gave examples of taxpayers in his district who had trouble staying in business due to high appraisals.

Senator Phil Martin testified in support of SB 620. He said he has heard from taxpayers in several counties who have received notices of large increases in their property taxes and he believes there will be a large increase in protests with or without this bill. Senator Martin also said he would not be adverse to a 6 percent interest rate on refunds if the Committee feels it is necessary.

Gordon Garrett, Commercial Property Association of Kansas, testified in support of SB 620 and said that this bill would accomplish several positive things. Mr. Garrett said it would seem fair to pay interest on refunds as there is a significant penalty and interest on taxpayers who underreport their personal property (Attachment 1).

Richard Rodewald, taxpayer, testified in support of SB 620. Mr. Rodewald said he has probably appealed more times and fought harder than anyone else in Kansas for relief of property taxes. He also said there were inconsistencies between what he was told by representatives from the county, Board of Tax Appeals and the Division of Property Valuation.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON TAXATION, Room 519-S Statehouse, at 9:00 a.m. on March 16, 1994.

Willie Martin, Sedgwick County Commissioners, testified in opposition to SB 620. She said that the interval required to process a tax protest between the time it is filed with BOTa and the time it is resolved is, in the most part, out of the control of the taxing district who is, in this bill, the one penalized (Attachment 2).

Bev Bradley, Kansas Association of Counties, testified in opposition to SB 620 and said this bill is even more costly than previous versions. She also said that if this legislation is passed it will be a very difficult item for which to budget and will result in the raising of mill levies which will penalize all taxpayers in a particular county (Attachment 3).

Larry Clark, Kansas County Appraisers Association, testified in opposition to SB 620 and said that under the current statutory scheme the county is actually given the shortest amount of time to respond as the county appraiser has just fifteen days to respond to the application and schedule a hearing. Mr. Clark suggested the Committee pass SB 542 with its provisions which will expedite the protest process and save the taxpayer time and expense (Attachment 4).

Murray Nolte, Johnson County Commissioners, testified in opposition to SB 620. He said that awarding attorney fees to a taxpayer who has won a case would impact on the property tax mill levy that would require all taxpayers to share the legal expenses for those who protest (Attachment 5).

Paul Welcome, Johnson County Appraiser, testified in opposition to SB 620 stating Texas has a similar bill and the amount for the attorney's fees is staggering. He said the citizens of the county would be asked to bear an unfair burden if this law is passed (Attachment 6).

Mark Buhler, Douglas County Commission, testified in opposition to SB 620 and related problems with delays in the hearing process. Mr. Buhler said he doesn't think taxpayers should receive 8 percent interest and should not be awarded attorney fees.

Chairperson Roe concluded the hearing on SB 620.

The meeting adjourned at 10:28 a.m.

The next meeting is scheduled for March 17, 1994.

HOUSE TAXATION COMMITTEE

DATE 3/16/94

NAME	ADDRESS	REPRESENTING
Alan Steppat	Topeka	PETE McGill & Assoc.
Chris McKenzie	Topeka	League of Ks. Municipal
BEU BRADLEY	TOPEKA	KS Assoc of Counties
Jordan T. Janett	Topeka	Comm. Prop. Assoc of Ks.
Michelle Clum	"	attly. Jon Small
Janet Stubbs	"	Ks. Bldg. IND. ASSN.
Jerry Clark	Olathe	Ks County Comm. Assoc.
Paul Welcome	Olathe	Johnson County Appraiser
RICHARD BODEWANI	RUDOLPH	TAXPAYERS
Dec Bell	Stanley	Self.
Patricia Parker	Wichita	Sedgwick County
Willie Martin	Wichita	Sedgwick County
Gerry Ray	Overland Park	Johnson County
Murphy L. Holte	Johnson County	Johnson County
Mike Mart		
Don Soles		
MARK A. BURGHART	TOPEKA	REVENUE
MARK BUHLER	LAWRENCE	DOUGLAS COUNTY -
Nancy Hempen	Douglas County	Ks County Treas. Assn.

CPAK

Commercial Property
Association of Kansas

Gordon T. Garrett
Vice President -
Legal Counsel

Samuel V. Alpert
Associate Director

LEGISLATIVE TESTIMONY

by

Gordon T. Garrett
Vice-President CPAK

March 16, 1994

before the House Assessment & Taxation Committee

We wish to support SB #620 as it would accomplish several positive things in our view.

1. The fact that there is no interest on property tax refunds earned through the appeals process lets the county use the money for an indeterminate amount of time-interest free, which in certain instances can create a hardship on taxpayers.

2. With this situation, it appears that the county appraisers would not, and do not hesitate to error on the high side-or at least have a tendency to error on the high side as they would have nothing to lose. The taxpayer because of fatigue may choose not to exercise all of their administrative remedies, or the county could win on appeal. In the worse case, a refund by the county, it has been able to use the taxpayers money interest free.

3. It would seem fair to pay interest on refunds as there is a significant penalty and interest on taxpayers who underreport their personal property.

4. This lack of interest on refunds specifically hurts the taxpayer who may make a legitimate legal claim and may be tied up in litigation for years. There have been instances where the taxpayer got a refund after five or six years of litigation. This is clearly unfair.

5. We think the whole appraisal system would be on a more level playing field and would work better if counties were responsible for paying interest on tax refunds.

6. We feel the provision that allows attorney fees is proper and has an adequate safeguard against abuse, meaning that attorneys fees would only be awarded in the most egregious circumstances, those instances where the government's position was done without a basis in law or fact. Proving this would probably be harder than winning the original appeal.

Board of Directors

Randy Austin
Fairlawn Plaza
Topeka

Arlin Meets
Melvin Simon Co.
Mgr.-West Ridge Mall
Topeka

Greg Erbert
Godfather's Pizza of Ks
Wichita

Jack Fox
J.C. Nichols Co.
Overland Park

Mike Loveland, CCIM
Commercial Real Estate
J. P. Weigand & Sons
Wichita

Tom Moses, CCIM
Griffith & Blair Commercial
Topeka

Cal Roberts
Mortgage Banker
Overland Park

Colby Sandlian
Developer
Wichita

Cindy Sherwood
Dentist
Independence

Bob Shmalberg
Scotch Industries
Lawrence

Ross Stiner
Realtor & Developer
Olathe

Steve Struebing
Attorney - Developer
Junction City

Patty Stull
Realtor
Hays

Dan Tucker
Banker-Businessman
Kansas City, KS

Larry Winn, III
Attorney
Prairie Village



SEDGWICK COUNTY, KANSAS

INTERGOVERNMENTAL RELATIONS

WILLIE MARTIN

COUNTY COURTHOUSE • 525 N. MAIN • SUITE 315 • WICHITA, KANSAS 67203 • TELEPHONE (316) 383-7552

TO: REPRESENTATIVE KEITH ROE
CHAIRMAN, HOUSE TAXATION COMMITTEE

FROM: WILLIE MARTIN

DATE: MARCH 16, 1994

RE: SENATE BILL 620

Chairman Roe and members of the Committee, I am Willie Martin representing the Sedgwick County Board of Commissioners. We appreciate this opportunity to express our concerns about Senate Bill 620.

Local appraisers value property based on computer assisted mass appraisal (CAMA) techniques. Once that value has been placed on the property, Appraisers and other local officials (such as Commissioners) are legally prohibited from compromising, abating, or "making deals" on valuations. Changes in valuation can only be made when it is clearly established that a value is wrong based on documented fact and evidence. Senate Bill 620 will not reduce the number of valuation protests resolved locally, there are legal limits beyond which local officials are prohibited from going in trying to resolve appeals.

Taxpayers can protest locally through several levels and once these avenues are exhausted, they can still file with BOTA. Once an appeal is filed with BOTA, counties have no control over the length of time a case will be on file before it is heard by BOTA. If counties are going to be required to pay interest for the period of time cases are pending before BOTA then it would seem reasonable to set a narrowly prescribed time period for case determination. This, of course, would require additional funding for the BOTA.

The interval required to process a tax protest between the time it is filed with BOTA and the time it is resolved is, in the most part, out of the control of the taxing district who is, in this bill, the one penalized.

3/16/94
House Taxation Cmte
Attachment 2

Sedgwick County sets values on over 175,000 parcels. The percentage of taxpayers filing appeals in the last four years has never been more than 4% of the properties valued.

1990	5,099	2.77%
1991	6,877	3.78%
1992	2,918	1.56%
1993 (to date)	2,164	1.19%

We believe these figures are a strong indication that Sedgwick County is making every effort to assign proper and accurate values to the parcels in our county.

Although we are pleased that less than 4% of total properties valued are protested, this number takes on different fiscal proportions when the county is faced with the potential of paying interest and possibly legal fees.

We believe the bill has other unintended consequences as well. If the taxpayer exhausts the local appeals process, appeals to BOTA, and BOTA rules in favor of the taxpayer, the County pays interest and potentially legal expenses. But, if BOTA sustains the County's value, the taxpayer may appeal to District Court and/or the Court of Appeals, and if provided relief from the court(s), the County still pays the interest and possible legal expenses even though BOTA (and possibly the District Court) has agreed with the value established by the County.

By the same token, if BOTA rejects a County's value and then proceeds to assess interest and legal expenses, the County may well be forced to appeal further, particularly if legal expenses are assessed. Senate Bill 620 will not streamline, but will further complicate the appeals process.

The bill requires counties to pay interest at 8%, but it does not say how the interest is computed. Presumably, interest would be paid on the difference in values, but the bill does not clarify that.

Senate Bill 620 has the potential for a very serious and adverse budget impact on Sedgwick County and every other county in Kansas. At present, Sedgwick County has approximately 2,000 cases pending before BOTA. If a refund were ordered in any significant number of those cases, and depending upon the length of time each case was pending before BOTA, the accumulated interest could be a very substantial figure.

Furthermore, the bill does not take into consideration the fact that taxpayers often appeal their cases and lose and often appeal the same case more than once. This bill provides no relief to counties in cases where taxpayers appeal the same case several times and lose their appeals.

Although the taxpayer has only one appeal to prepare or a tax representative 10, 20, or 30, the county has hundreds of appeals for which they must prepare. On numerous occasions county man hours are used to prepare for hearings of appeals filed by tax representatives, only to have the representative appear and request the appeal be withdrawn, with the determination of no change in value. This request is usually made because the tax representative has determined to proceed with an appeal to BOTB. A large amount of county resources are wasted preparing for these hearings.

A productive piece of legislation would require tax representatives who file appeals to provide five (5) days notice prior to the hearing if their intent is to withdraw the appeal for whatever reason.

We would respectfully request your thoughtful consideration of not only the fiscal impact for counties and tax payers that will be imposed by Senate Bill 620, but the additional complexity we believe this bill will add to the appeals process.



KANSAS ASSOCIATION OF COUNTIES

"Service to County Government"

215 S.E. 8th
Topeka, Kansas 66603-3906
(913) 233-2271
FAX (913) 233-4830

EXECUTIVE BOARD

President

Barbara Wood
Bourbon County Clerk
210 S. National
Fort Scott, KS 66701
(316) 223-3800, ext. 54

Vice-President

Dudley Feuerborn
Anderson County Commissioner
100 E. 4th
Garnett, KS 66032
(913) 448-5411

Past President

Murray Nolte
Johnson County Commissioner
9021 W. 65th Dr.
Merriam, KS 66202
(913) 432-3784

Roy Patton
Harvey County Weed Director
P.O. Box 687
Newton, KS 67114
(316) 283-1890

Nancy Hempen
Douglas County Treasurer
110 Massachusetts
Lawrence, KS 66044
(913) 832-6275

DIRECTORS

Mary Bolton
Rice County Commissioner
101 W. Commercial
Lyons, KS 67554
(316) 257-2629

Ethel Evans
Grant County Commissioner
108 S. Glenn
Ulysses, KS 67880
(316) 356-4678

Frank Hempen
Douglas County Director of
Public Works
1242 Massachusetts
Lawrence, KS 66044
(913) 832-5293

Mary Ann Holsapple
Nemaha County Register of Deeds
607 Nemaha
Seneca, KS 66538
(913) 336-2120

Eldon Hoyle
Geary County Commissioner
106 Bunker Hill Road
Junction City, KS 66441
(913) 762-4748

NACo Representative

Marjory Scheuiller
Edwards County Commissioner
312 Massachusetts
Kinsley, KS 67547
(316) 995-3973

Darrell Wilson
Saline County Sheriff
300 W. Ash
Salina, KS 67401
(913) 826-6500

Executive Director
John T. Forbert, CAE

To: Representative Keith Roe, Chairman
Members, House Taxation Committee

From: Bev Bradley, Deputy Executive Director
Kansas Association of Counties

Re: SB 620 Refunds of protested property tax,
interest, attorney fees and court costs.

Thank you Representative Roe and members of the committee. I appreciate the opportunity to testify today in opposition to SB 620.

Some form of this bill seems to appear each year. The Kansas Association of Counties has routinely appeared to express our concerns. KAC is very much concerned about this bill, SB- 620, because it is even more costly than previous versions. This bill states that in the event that BOTTA, or the court orders a refund be made, the county treasurer refund such protested taxes plus interest at the rate of 8 percent. In addition BOTTA or the court **shall** order reimbursement for reasonable costs incurred for legal services and court costs from the county general fund if it is shown that the valuation or assessment protested is without a reasonable basis in law or fact. This is going to be a very difficult item for which to budget. There is no way to even guess at the amount of money that would be needed. The counties will need additional authority to levy in their budgets for this unknown expense. This bill will result in the raising of mill levies which will penalize all taxpayers in a particular county.

One of the major reasons for delay in the resolution of protested taxes is the back log of cases with the Board of Tax Appeals. It seems unreasonable that counties would be penalized for the delay in accessing a state agency. There are figures available for the amount of money similar legislation has cost counties in other states. It can be a very large amount.

Thank you for your consideration. We urge you to vote **no** on SB 620.

3/16/94
House Taxation Committee
attachment 3

SENATE BILL 620

HOUSE COMMITTEE ON TAXATION

MARCH 16, 1994

Mr. Chairman and members of the House Committee on Taxation, my name is Larry Clark and I am here representing the Kansas County Appraisers Association in opposition to Senate Bill 620.

Any attempt to compensate taxpayers who have had their funds wrongfully tied up by any government is certainly to be encouraged. However, we feel that there are problems inherent with the current statutes which should be brought to the attention of the committee. We also feel there may be a better approach to resolving the problem of a property owner's resources being tied up for an extended period of time.

Under the current statutory scheme the county is actually given the shortest amount of time to respond in the situation. The county appraiser has just fifteen days to respond to the application and schedule a hearing. On the other hand, the taxpayer has 30 days to decide whether to request another hearing at the local level and the board of tax appeals has 45 days to decide whether another hearing is warranted at its level.

The accompanying graphic shows the relative time spent at the county level and at the board of tax appeals, using cases picked at random from the files of the Johnson County Appraiser's Office. Two things should be noted: First, the amount of the total time from application to refund order has diminished by 67% between 1989 and 1992. Second, even though the percentage of the total time period during which the application is held by the state has diminished, it still represents over 90% of the total time. If we were to use a disputed tax amount of \$1,000 as an example, this legislation would impose an interest charge of \$66 for the 300 days shown as typical for 1992.

$$\begin{array}{r} \$1,000 \\ \times .08 \\ \hline \$ 80/365 = \$0.22 \times 300 = \$66 \end{array}$$

If that amount were to be charged in proportion to the time spent on the protest, \$62 would be paid by the board of tax appeals leaving \$4 for the county to pay. If the purpose of this legislation is to compensate taxpayers, it seems only fair that such compensation should come from the party responsible for most of the delay, which in this case is the state.

The same sort of proration could be extended to the payment of attorney fees except for two key points: (1) the county does not require or in any way encourage property owners to have legal representation at the county hearing, whereas property owners are encouraged to have legal representation before the board; and (2) the county cannot exercise any control over the length of the proceedings before the board of tax appeals.

The supplemental note on senate bill 620 refers to the taxpayers bill of rights at K.S.A. 79-3268 as being a pattern for a portion of the provisions of senate bill 620. The payment under

3/16/94

House Taxation Committee
Attachment 4

protest process differs from the situation addressed in that bill of rights in several respects. First, the bill of rights refers to instances in which the director of taxation has assessed additional taxes against an individual, whereas the protest process involves not taxes, but a disagreement over the value of the property. Second, the attorney the fees referenced in the taxpayer bill of rights would be incurred in challenging the actions, rules and regulations of a single department of government, whereas the challenge in a protest procedure involves the regulations of the property valuation division, the state board of tax appeals and the county appraiser's office. Finally, because the bill of rights refers to the challenging of **additional** assessments, the inability of the department of revenue to collect them is revenue neutral, whereas the interest on refunds can only result in additional local property tax liability.

Suggestions

Pass Senate Bill 542 with its provisions which will expedite the protest process and save the taxpayer time and expense.

Allow protesting taxpayers to pay only the amount of taxes based on the amount of valuation not at issue. In other words, when the county estimates the value of the property to be at \$80,000 and the taxpayer claims it is only worth \$70,000 the amount of taxes paid at the time of the protest would be calculated based on the \$70,000 amount. In order to avoid frivolous appeals, the taxpayer would have to pay interest on the amount of additional taxes charged when the ultimate decision favored the county. This approach would also require that the taxpayer state clearly the amount in dispute and the reasons behind it. He or she would then be required to defend that amount at the board of tax appeals level.

Limit the awarding of legal fees to valuation cases. Questions of classification involve legal interpretations which should be the responsibility of the property valuation division. Some questions of interpretation are best resolved by the state board of tax appeals and/or in the court system. Where there are areas of disagreement a quick resolution should be encouraged. If counties are put at financial risk for attempting to resolve those questions, they will be slow to do so.

Expand the board to include hearing officers for routine valuation appeals.

Limit the time period for the board to decide on the merits of a case.

Conclusion

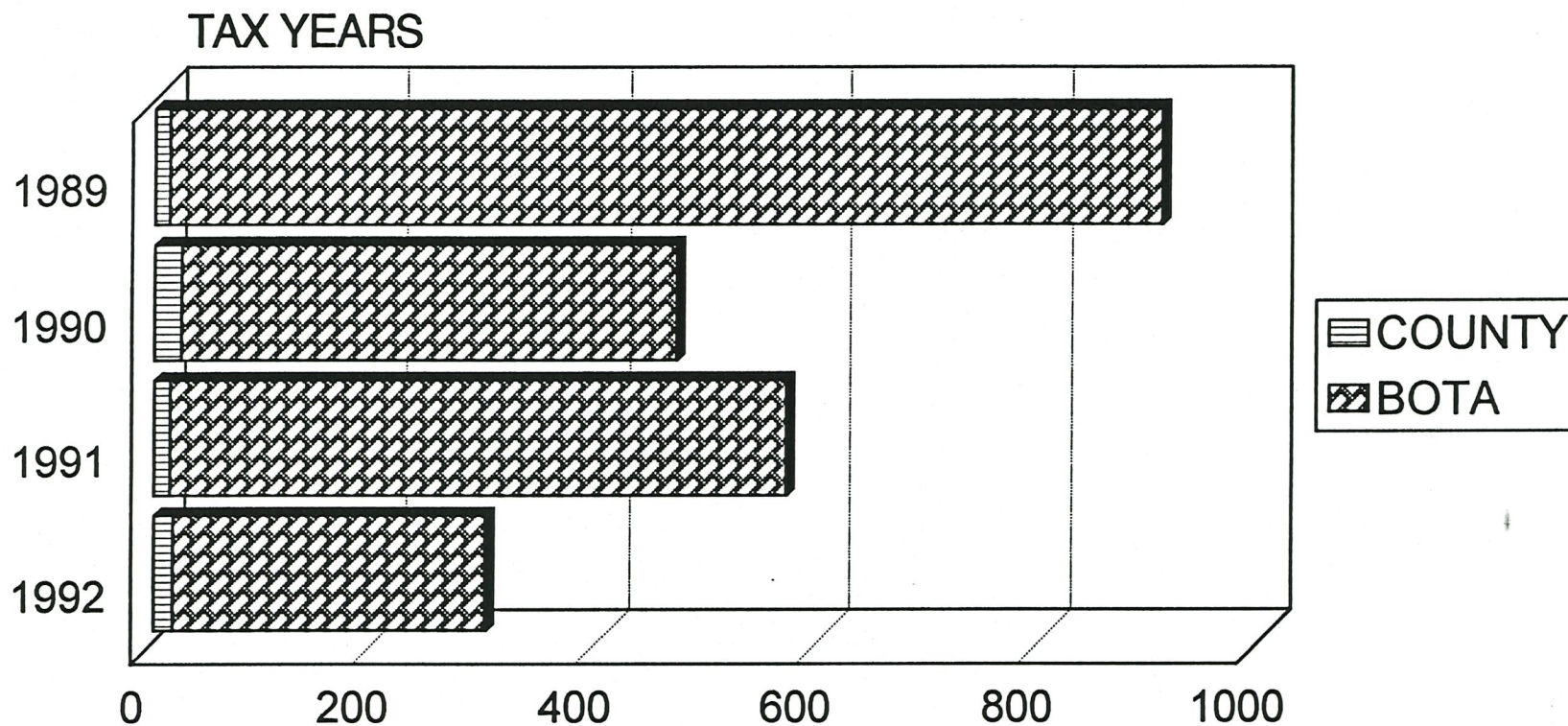
Taxpayers should not suffer financially for the errors or inefficiencies of government. When government has caused a financial hardship there should be some mechanism for making that taxpayer whole again. There can be no argument with that.

It is equally clear that measures taken to rectify errors or correct inefficiencies must be directed toward the governmental body responsible for them. This bill imposes a fine upon county taxpayers for which they nor their local government are responsible. Since 90% of the delay and all of the attorney fees

are created after the protest leaves the county level, equity calls for any interest to be paid at the state level.

PAYMENT UNDER PROTEST

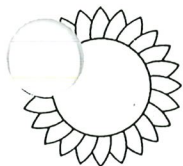
HEARING TIMELINE



	1989	1990	1991	1992
COUNTY	13	24	14	17
BOTA	897	446	556	283

RANDOM SAMPLE OF CASES: JOHNSON COUNTY

4-4



Johnson County,
Kansas

March 16, 1994

HOUSE TAXATION COMMITTEE

HEARING ON SENATE BILL 620

TESTIMONY OF COMMISSIONER MURRAY NOLTE,
JOHNSON COUNTY BOARD OF COMMISSIONERS

Mr. Chairman, members of the committee, I am Murray Nolte, a member of the Johnson County Board of Commissioners. I am appearing today to express the Board's opposition to Senate Bill 620.

SB 620 requires the county to pay 8% interest on refunds of protested taxes made to taxpayers who prevail in cases before the Board of Tax Appeals. In the current market, 8% is a high return and one that is not likely to be secured by the County while the protested taxes are in escrow. The provision is particularly concerning when you consider the County has no control or influence on the length of time a case before the Board of Tax Appeals will be delayed. However, we are all aware there is generally a backlog of cases awaiting action by that Board.

The second provision of the bill is even more troubling. It would allow the Board of Tax Appeals to award attorney fees to a taxpayer who has won a case before it. In such instances the County will be responsible for paying the attorney fees. Again we would have no control or input into the cost, our only role would be to pay the bill. The result would be an impact on the property tax mill levy that would require all taxpayers to share the legal expenses for those who protest.

If it is determined that SB 620 is the appropriate approach, then the Legislature should also consider requiring the taxpayers who protest, and lose their cases, to pay all the legal costs incurred by the County. As strange as that idea may sound, it is the other half of the equation.

At a time when local governments are being compelled to assume added responsibilities every year, it is inappropriate to consider action that will mandate an expense to counties that the local officials have no means to control. It is the right of any taxpayer to challenge their taxes, however it is their decision to do so and others should not be expected to pay the bill for that decision.

The Johnson County Commissioners believe SB 620 would impose an unnecessary expense on the County government and its citizens. The Committee is urged to not recommend the bill for passage.

Senate Bill 620
House Committee Testimony

My name is Paul Welcome, Johnson County Appraiser, and I thank you for the opportunity to speak to you about Senate Bill 620. I would like to state that I am opposed to the bill and I will state the reasons why.

1. The bill provides for a refund of interest on taxes which BOTA orders refunded. The county does not control the docketing of the cases with the Board of Tax Appeals and we are at the mercy of their scheduling process. Even after the case is heard the Board is in control of when the final decision will be issued and this can take additional time. The county would have pay additional interest on the refund for this delay. Johnson County, with the cooperation of the Board, has been aggressive to reduce a backlog. Even with our two weeks per month, we have a backlog of cases at BOTA.
2. Current language would require the county to pay interest on a refund when we settle the case with the Payment Under Protest provision. Also, the county has to pay if the taxpayer and the county agrees but Board of Tax Appeals disagrees and places the stipulation for a hearing.
3. It is felt that the language for the cases would also require for the county to pay a refund if the dispute is an assessment. Could this apply to agricultural classification/assessment and to exemption cases? We have had an exemption issue drag through the courts since 1985 and we are still in the process of trying to resolve the issue in the courts. For an ag use classification it was five years before we had a Court of Appeals decision which gave us some guidelines on the issue.
4. The next issue is the personal property issues. The Property Valuation Division states we have to follow the guidelines and the Board of Tax Appeals states we are not to include sales tax. If the county appraiser follows the guidelines and looses to the Board is it fair for the county to be responsible for the refund when they are following the guidelines?
5. With the current language the county is responsible to pay for attorney's fees. Would this be for valuation, exemption and classification issues? If yes, here are some questions:

3/16/94
House Taxation Cmte
Attachment 6

a. A property owner has not supplied income and expense data and waits until the hearing at the Board. The county appraiser reviews the documents and wishes to make an adjustment and wants to enter a stipulation but feels compelled not to change the value because of the attorney fee issue. If the taxpayer would have provided the information at the time of the (spring) equalization appeals, the issue could have been resolved. Would an attorney want to resolve this issue at this time? I would think not because he or she would not receive the fee from the county. Is this serving the taxpayer? I think not.

b. Also, in this bill the county would or may be fighting the issue of the reasonable known issue. What is reasonable in the valuation issue? We have had two qualified appraisers appraise a property and the valuation has been \$1.5 million apart on a building of approximately \$3 to \$4.5 million in value depending on which appraisal you would believe. In addition, in Wyandotte County the Woodlands has had its case heard by the Board with a spread of \$22 million to \$43 million by two experts hired by the respective parties. In a recent speech by the Woodlands manager, he stated the facility to be \$73,000,000 in value. In addition, Shawnee County has a valuation of the Mall with the values ranging from \$20 million to \$73 million. As you can see, the differences and the amounts can and may be staggering.

6. If this bill is passed, what are the implications for the county appraiser. Would he be forced to be lower than is required by statute so he or she would not be sued? Would he not press the classification issue because of the risk of the valuation and attorney fees? Would he or she not follow Property Valuation Division guidelines since they have received a Board's order on the sales tax issue? Would he or she not press the issue of the exemption since it is the county's responsibility to defend the issue in the courts? You are asking the citizens of the county to bear an unfair burden if this law is passed.
7. In closing, Texas has a similar bill and the amount for the attorney's fees are staggering. In Travis County (Austin), their fees were \$300,000 in 1993. In Dallas County in 1991, an attorney was awarded \$235,000 and in Harris County (Houston) in 1993, they paid \$37,572. For any county in Kansas these amounts are staggering and are unbudgeted. I do not believe this to be a large county issue, but a statewide one. What about oil and gas, grain elevators or personal property cases statewide? I hope you see the potential impact of this legislation and urge you to oppose it.

**PROPOSED REVISIONS
SENATE BILL 620**

1. The taxpayer would be required to furnish the income and expense data or other pertinent information at the equalization hearing (spring) if the property was an income producing property. If the information was not furnished, the taxpayer would not be entitled to an interest refund or attorney's fees.
2. The taxpayer would have to have a good faith estimate on the appeal form or Payment Under Protest form. The taxpayer would pay their taxes on that amount and would have to pay the rest at the time the case was settled by the Board of Tax Appeals. If the taxpayer would go to a higher court, there would be no refund for interest.
3. Attorney fees would only be awarded on valuation cases and not for exemption, classification, grievance or personal property issues.
4. Attorney fees could not exceed the tax reduction amount for the case.