

Approved: March 9, 2011
Date

MINUTES OF THE SENATE ASSESSMENT & TAXATION COMMITTEE

The meeting was called to order by Vice Chairman Pat Apple at 10:30 a.m. on February 10, 2011, in Room 152-S of the Capitol.

All members were present except:

Chairman Les Donovan – excused

Committee staff present:

Gordon Self, Office of the Revisor of Statutes

Scott Wells, Office of the Revisor of Statutes

Chris Courtwright, Kansas Legislative Research Department

Michael Wales, Kansas Legislative Research Department

Mary Jane Brueck, Committee Assistant

Conferees appearing before the Committee:

Gayla Shields, Miami County Treasurer

Others attending:

See attached list.

Vice-Chairman Apple convened the meeting. He opened the hearing on **SB 108 - Record of plats; payment of estimated taxes.** Scott explained the bill. Gayla Shields, Miami County Treasurer was introduced. She is speaking on behalf of the Kansas County Treasurers' Association. She explained the problems relates to plats that have been divided and delinquent taxes. This bill is supported by the County Treasurers' offices across Kansas. (Attachment 1) After discussion, and seeing no others who wanted to speak to the bill, Vice-Chairman Apple closed the hearing on **SB 108.**

Having no other business for the committee, Vice-Chairman Apple closed the meeting.

The next meeting is scheduled for February 15, 2011 on Expensing and Impact bills.

The meeting was adjourned at 10:42 a.m.

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Gayla Shields, Miami County Treasurer



- Chairman and members of the Senate Assessment and Taxation Committee
 - Gayla Shields, Miami Co. Treasurer
 - Thank you for the opportunity to come before you today
 - Support of the Kansas County Treasurer's Association
- Proposed language changes current law, KSA 19-1207.
 - Results of recording a plat with the Register of Deeds include a change in property boundaries, dividing the original, "parent" parcel into multiple parcels, and a change to the property description.
 - This new language provides statutory basis for County Treasurer's to collect all taxes and/or assessments levied against the original, "parent" parcel prior to the tax year that is affected by the recording of the plat in the Register of Deeds office.
 - Currently, depending upon when the plat is presented for filing, it can be filed, the property divided, the description and boundaries changed, lots sold, and taxes still owed on the original parcel.
 - After the recording, the "parent" parcel no longer exists in its original description and subsequent parcel descriptions are not that of the "parent" parcel
 - When a tax search is conducted on a newly described, "child" parcel, no prior taxes are obvious, due to the new identification number, description changes, etc.
 - Delinquencies follow the parcel, or what is now, many parcels. At the end of the tax year, when delinquencies are "following the parcel" and being prepared to be documented on the next tax roll, the delinquency is allocated to all of the parcels that made up the original, "parent" parcel.
 - Now, there are delinquent taxes on all parcels that make up the original parcel. The possibility exists that a lot has been sold and at the time of sale, the delinquency was not detected. The unsuspecting buyer made a purchase and didn't know there were unpaid taxes on the original, "parent" parcel that would end up being apportioned to his/her property.
- This scenario occurred in Miami County in 2007.
 - A large tract of land was divided into over eighty (80) lots. Due to the time of filing, the recording would affect the 2008 tax roll and none of the 2007 taxes had to be paid prior to the filing. The first tax installment was due December 20, 2007, and it was paid in January of 2008. And, unless something has changed in the last few days, all taxes since that time are still unpaid. The 2007 delinquency was apportioned to all 80-some lots. Tax foreclosure proceedings have begun.

- Another instance, the sale proceeds of one lot was used to pay the delinquent taxes on the original parcel prior to the allocation of the delinquency to all lots, of which some were already sold.
- This change would remedy that situation and would ultimately protect that unsuspecting buyer from getting that surprise delinquent tax, by requiring that all taxes prior to the affect of the filing, be paid in full; prior to the property being changed physically in description.
- It is my feeling that as elected officials we have a responsibility to do our best to protect the unsuspecting citizens of Kansas. I stand before you and respectfully ask for your support of this bill.
- Thank you, again, for allowing me this opportunity. I appreciate your time.