

MINUTES OF THE SENATE ASSESSMENT TAXATION COMMITTEE

The meeting was called to order by Vice Chairman Pat Apple at 10:38 a.m. on February 22, 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:

Richard Cram, Director, Department of Revenue

Others attending:

Vice-Chairman Pat Apple said this meeting would be the last meeting before turn-around. He opened the hearing on **SB 177 Statute of limitations increased for taxpayers claiming certain refunds and credits**. Richard Cram, Department of Revenue, said the purpose of this bill is to amend the sales tax refund statute of limitations in K.S.A. 79-3609 to allow for filing of sales tax refunds up to three years from the due date of the return. This would begin on July 1, 2011. Currently, the statute limits refunds to a one year period. There was discussion of the bill. Seeing no others wanting to speak to the bill, Vice Chairman Apple closed the hearing on this bill.

He then opened the hearing on **SB 212 Annual report by secretary of revenue of abatements of tax liability**. Gordon Self, Office of the Revisor of Statutes, explained the purpose of this bill. He presented a balloon amendment, the purpose of which is to strike the word “records” and replace it with “annual report”. Richard Cram, Department of Revenue, also explained the purpose of this bill. The department is required to make an annual report, and that report is to be available for public inspection on written request. There may be confidential personal taxpayer information in this report. This bill will make it clear that there should be no public access to private information, only the report concerning the abatement. This clarification is to be given retroactive effect back to the date of the enactment of this provision in 1999, so no public access will be allowed to the confidential taxpayer abatement records. Seeing no other people to speak to the bill, Vice-Chairman Apple closed the hearing on this bill.

Vice-Chairman Apple explained the committee would normally let the bills rest before taking action on them, however with turn-around coming up, he would like to take action on them today. He asked if the committee would desire to vote on these bills today. There was no objection. Vice-Chairman Apple recognized Sen Bruce, who moved that SB 177 be passed out of committee favorably. Sen. Lynn seconded the motion. Motion carried.

The committee's attention was turned to **SB 212**. Sen Kelsey moved the balloon amendment to SB 212 proposed by Gordon Self be adopted. The motion carried. Sen. Bruce made the motion to move this bill out of committee favorably. Sen. Kelsey seconded the motion. Motion carried.

The committee discussed **SB 196 Authorizing expensing of investment expenditures as a deduction in calculating Kansas income tax liability and IMPACT program changes**. Sen. King had some technical amendments to this bill. Gordon Self explained them. Sen. King moved acceptance of those technical amendments to the bill. Sen. Bruce seconded the motion. Motion carried.

Sen King had a second amendment to discuss. It was requested by the Kansas CPA Association. After discussion, Sen. Kelsey moved the amendment and Sen. King seconded the motion. Motion carried.

Amendment three is a conceptual amendment for HPIP to keep \$50,000.00 threshold for all Kansas counties except Leavenworth, Douglas, Shawnee, Wyandotte, Johnson, and Sedgwick. Those counties

CONTINUATION SHEET

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would have a threshold of \$1,000,000.00. This would not have a fiscal note. After discussion, Sen King moved adoption of this amendment. Sen. Lynn seconded the motion. Motion carried. Sen. Holland asked for division. Sen. Holland did not want the division recorded. Sen. King moved SB 196 be moved out of committee as amended. Sen. Bruce seconded the motion. The motion carried.

The Vice Chairman asked the committee what their wishes were for **SB 116 – Unclaimed property: disclosure of tax information to the state treasurer.** Staff gave a brief review on this bill. Sen. Kelsey moved the bill be moved out of committee favorably. Sen. Lynn seconded the motion. Motion carried.

The last bill discussed was **SB 193 – Requiring social security numbers in support of claims for food sales tax refunds.** There was a technical balloon amendment. Sen. Love moved adoption of the amendment. Sen. King seconded the motion. Motion carried. Richard Cram said the Department of Revenue is in favor of this bill. Sen Love moved the bill be passed as amended. Sen. Kelsey seconded. Motion carried.

Seeing no other business before the committee Vice-Chairman Apple closed the meeting.

The next meeting will be announced.

The meeting was adjourned at 11:301 a.m.