

REVISED
SESSION OF 2007

SUPPLEMENTAL NOTE ON SENATE BILL NO. 28

As Amended by Senate Committee on
Assessment and Taxation

Brief*

SB 28, as amended, would amend the Homestead Property Tax Refund Act to prohibit persons who own or occupy a homestead valued at more than \$200,000 and is not rental property from receiving refunds. The change would be effective for tax year 2007.

Background

The original bill, which was an interim recommendation of the Special Committee on Assessment and Taxation, would have excluded persons owning or controlling assets in excess of \$250,000. The Senate Committee amended the bill to remove the asset test and instead tie the exclusion to homestead property valued at more than \$200,000.

The proposed exclusion would reduce the size of the program relative to current law, which makes refunds available to all persons who meet both an income and a demographic test. (The current program is expected to pay out \$20.6 million in refunds for tax year 2006.)

The Department of Revenue on January 30 indicated that the bill would be expected to have a positive fiscal note of \$0.250 million.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>