

SESSION OF 2007

SUPPLEMENTAL NOTE ON SENATE BILL NO. 278

As Amended by Senate Committee on
Assessment and Taxation

Brief*

SB 278, as amended, would clarify the sales tax exemption for farm machinery and equipment to provide that the exemption includes precision farming equipment that is portable or is installed or purchased to be installed on farm machinery and equipment. "Precision farming equipment" would be defined to include certain specific items used only in computer-assisted farming, ranching or aqua-culture production operations.

Background

Proponents of the bill included the Kansas Agribusiness Retailers' Association and the Kansas Association of Wheat Growers.

The Senate Committee amendment was suggested by Senator Pine, who developed it in consultation with the Department of Revenue.

The Department of Revenue indicated that the amended version of the bill would not have any significant fiscal impact. (The original bill would have reduced sales tax receipts by about \$5.0 million per year.)

*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>