



SEDGWICK COUNTY, KANSAS

OFFICE OF THE COUNTY CLERK

KELLY B. ARNOLD
COUNTY CLERK

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February 12, 2024

Chairman Smith and Committee Members,

I am writing to oppose House Bill 2636, which would amend the current statutory requirements for Homestead Property Tax filings to include renters.

As Sedgwick County Clerk, this bill will directly affect my office and offices such as mine across the state. Kansas County Clerks are required to assist Homestead applicants under K.S.A. 79-4510. This mandatory requirement can present both staffing and budgetary constraints.

The Homestead Property Tax Refund was last available to renters in tax year 2012, and during those eligible years, my staff at the Sedgwick County Clerk's Office processed thousands of applications during the filing period. Reintegrating renters into the Homestead process could potentially cause the Clerk's duties and responsibilities to the citizens to suffer. In order to remain successful and in compliance with the law, my office must sacrifice productivity in its other roles and responsibilities, including statutory obligations for our citizens.

I have not yet seen a fiscal note on this bill. However, when a bill like this was proposed in 2017 the Department of Revenue estimated that allowing renters to claim the Homestead Property Tax Refund would have cost the State General Fund \$15 million at that time.

It appears there is no provision to prevent payment of refunds in excess of taxes levied. Although the rent constituting property tax accrued amounts to 15 percent of rent paid for occupancy, there is nothing preventing the refund from exceeding the amount of ad valorem taxes paid in total on the property. For example, in Wichita there is a quadplex (4 units) with a total tax bill of \$1,009. This building has a potential of four renters, each of which could receive a Homestead Property Tax refund of \$700, or a combined total of \$2,800, far exceeding ad valorem taxes assessed on the property. This was a common occurrence in 2012 and the years prior, and is a potential scenario for many multiplex buildings. In addition, renters may still be able to collect the refund if the property owner/landlord had a delinquent tax balance.

Thank you for the opportunity to provide my perspective. I appreciate your consideration of my testimony.

Sincerely,

Kelly B. Arnold
Sedgwick County Clerk