



Mark Tomb
Vice President of Governmental Affairs
Kansas Association of REALTORS®
3644 SW Burlingame Rd.
Topeka, KS 66611
785-414-5155
mark@kansasrealtor.com

To: Senate Assessment and Taxation Committee
From: Mark Tomb, VP of Governmental Affairs
Date: February 1, 2023

Re: Written Testimony in Support of SB 97

On behalf of the Kansas Association of REALTORS® (KAR), thank you for the opportunity to provide written testimony in support of SB 97, legislation that will increase the residential exemption for the statewide school levy to \$65,000. The Kansas Association of REALTORS® represents over 11,000 members involved in residential, agricultural and commercial real estate and has advocated on behalf of the state's property owners for over 100 years. REALTORS® serve an important role in the state's economy and are dedicated to working with our elected officials to create better communities by supporting economic development, a high quality of life and providing affordable housing opportunities while protecting the rights of private property owners.

KAR members are involved in recruiting new residents to our local communities on a daily basis and realize the importance of quality public schools in building a high quality of life for Kansas residents. We also believe in the importance of a low tax burden on Kansas businesses and families that will help keep our state competitive in the search for new economic development and job growth opportunities.

REALTORS® believe that real estate is burdened with an excessive share of the constantly increasing cost of state and local government. While we realize the importance of many programs funded through property tax revenues, we believe tax revenues should be equitably collected from a variety of sources and encourage taxing jurisdictions to consider the negative impact to the housing market associated with any potential increase in property tax rates.

KAR has historically supported the state-mandated school mill levy so long as exemptions remain in place. In the past, KAR opposed efforts to repeal the exemption. Repeal of this exemption was seen as a quick way to add more money to public schools through property taxes. A \$20,000 exemption was first put into effect in 1997 to reduce the local property tax burden on households, arguably shifting the responsibility back to the state, which has more options for revenue from which to fund schools. KAR argued in 2022 that the \$20,000 exemption has not remained meaningful because, without being increased, the exemption failed to keep pace with inflation or home values. We appreciate the willingness of this Committee and the Legislature to double the exemption to \$40,000 in 2022 through the passage of SB 431 which eventually became law as part of HB 2239.

While this amount was increased last year, this legislation would restore the exemption closer to its intended level of property tax relief when the exemption was first created. In conclusion, KAR supports SB 97's effort to increase the exemption to \$65,000. Thank you for your time and consideration of our testimony.