

To: Senate Committee on Assessment and Taxation
From: Spencer Duncan, Government Affairs Director
Date: January 11, 2024
RE: SB 196 – Reinstating Transfers to the Local Ad Valorem Tax Reduction Fund
In Support – Verbal Testimony

Thank you to the Chair and Committee for the opportunity to provide this testimony.

The League of Kansas Municipalities respectfully asks that you fully fund the Local Ad Valorem Tax Reduction Fund (LAVTR), holding to a statutory promise and assisting cities in reducing property taxes in Kansans.

Despite misinformation to the contrary, historical data shows that during the period when the state funded LAVTR, there was a direct positive impact on assisting cities in keeping property tax rates at lower levels. We are confident that fully funding LAVTR would lead to property tax reduction for Kansas property owners.

At a time when the state has a healthy budget surplus, we ask that you fund LAVTR this year, and provide an opportunity for cities to show you the true value these funds will have for our residents.

This also provides us with an opportunity to address a larger concern. When it comes to the creation of tax policy, we have come to a point where governmental bodies in Kansas are operating in silos – contained units acting independent of one another yet making decisions that significantly impact the other. We view this as a problem, and not a productive way to reach solutions for taxpayers, cities, or the State.

As a collective – Cities, Counties, State – we are directly connected and need to better operate in a manner that recognizes this nexus. City Governments and the State Legislature need to work cooperatively on the development of tax policies. In doing so, we will better craft tax policies that fulfil the essential needs of each unit of government while reducing taxes on citizens.

We ask that you keep this spirit of cooperation and collaboration in mind as you make policy decisions and know that we at the League are spreading this message to the cities of Kansas.

Thank you for your time and consideration of these issues. I am always available to provide additional information and answer any questions you have.



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