

February 10, 2026

The Honorable Adam Smith, Chairperson
House Committee on Taxation
300 SW 10th Avenue, Room 346-S
Topeka, Kansas 66612

Dear Representative Smith:

SUBJECT: Fiscal Note for HB 2712 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2712 is respectfully submitted to your committee.

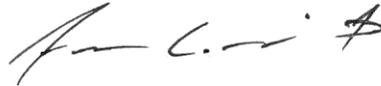
HB 2712 would delete existing authority for individual counties to enact special sales taxes and would allow each county to enact a sales tax in increments of 0.05 percent up to 1.0 percent for general purposes and up to 2.0 percent for special purposes. Any existing special purpose city or county sales tax in effect on July 1, 2026, would remain in effect until the sales tax is repealed or expired, the bonds using the proceeds of the sales tax are paid off, or on July 1, 2036. The bill would allow cumulative countywide sales taxes to exceed 3.0 percent on July 1, 2026, but no further countywide sales tax could be imposed that would be above the 3.0 percent limit. Any special purpose countywide sales taxes enacted after July 1, 2026, would expire after ten years. Special purpose countywide sales taxes would be exempt from the countywide sales tax apportionment formula. The county clerk would be required to forward any successful ballot proposition to the Department of Revenue within 30 days after certification of election results.

The Department of Revenue indicates HB 2712 would affect only local sales tax collections and would have no fiscal effect on state revenues. The Department indicates that the administrative costs associated with implementing the provisions of the bill would be negligible and could be absorbed within existing resources.

The League of Kansas Municipalities and the Kansas Association of Counties indicate the bill would allow local governments whose residents vote to increase the special purpose sales tax a way to provide funding for projects that are important to those communities; however, the fiscal effect is unknown and would vary by location. The Kansas Association of Counties indicates that

any county that enacts a countywide sales tax of up to 1.0 percent for general purposes and up to 2.0 percent for special purposes that is approved at a local election authorized by the bill would be conducted and paid for by each county. An election held at the same time as a countywide primary or general election would cost less than a stand-alone special election.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt". The signature is fluid and cursive, with a large initial "A" and a stylized "P" at the end.

Adam C. Proffitt
Director of the Budget

cc: Lynn Robinson, Department of Revenue
Wendi Stark, League of Kansas Municipalities
Jay Hall, Kansas Association of Counties