

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman Kenny Wilk at 9:00 A.M. on March 10, 2008 in Room 519-S of the Capitol.

All members were present except: Representative Brown - Excused  
Representative Goyle - Excused

Committee staff present:

Chris Courtwright, Legislative Research Department  
Gordon Self, Office of Revisor of Statutes  
Ryan Hoffman, Legislative Research Department  
Scott Wells, Office of Revisor of Statutes  
Rose Marie Glatt, Committee Secretary

Conferees appearing before the committee:

Secretary Wagon, KDOR

Others attending:

See attached list.

**HB 2938 - Sales tax exemption for certain 501 (3) (c) nonprofit organizations.**

Chairman Wilk recognized Representative Whitham and advised the group they were back on page 2 of his balloon.

Representative Whitham made a motion to amend expanded language to include *or for organizations that would be exempt from federal income taxation pursuant to section 501 (3)(c)* to the bill. Representative King seconded the motion. Discussion followed over 501 (3) (c) process, and the kinds of organizations that would fit in the description. Representative Whitham moved his amendment. The motion carried.

Representative Whitham made the motion to adopt the fourth balloon that adds the following technical language to the bill - Page 2, line 20, (f) *The provisions of this section shall be part of and supplemental to the Kansas retailers' sales tax act.* Gordon Self requested that on Page 1, lines 15 and 24 the word, *tangible* be inserted before the phrase *personal property*. Representative Dillmore seconded the motion. The motion carried.

A balloon amendment was distributed (Attachment 1).

Representative Menghini made a motion to amend language to require organizations that are grand-fathered into the bill to go through an application process after a three year period.. Representative Lukert seconded the motion. After discussion about the merit of the amendment. Representative Menghini closed her motion. The motion failed 7-12.

Representative McCray-Miller made a conceptual motion to include in new section 1, between lines 19 and 24, *homeless assistance and housing programs.* Representative Whitham seconded the conceptual motion. The motion failed.

Secretary Wagon came to the podium to answer committee question and clarify current law.

Representative King made a motion to strike the remainder of the paragraph after 501(3) (c) of the federal internal revenue code, on page 1, line 18. Representative Kinzer seconded. The motion failed.

Representative Worley made a motion to strike language on sales tax exemption for bingo cards listed on page 7, section b, lines 20-25. Representative Menghini seconded. The motion failed.

Representative Holland made a motion to amend language to require organizations that are grand-fathered into the bill to go through an application process after a five-year period. Representative Menghini seconded the motion. The motion failed.

CONTINUATION SHEET

MINUTES OF THE House Taxation Committee at 9:00 A.M. on March 10, 2008 in Room 519-S of the Capitol.

Representative Peck made a conceptual motion that language be struck, on page 15, line 36-37, regarding certain lottery tickets Representative Kinzer seconded the motion. The motion failed 10-10.

Representative Whitham made a motion to pass out **HB 2938** favorably, as amended. Representative King seconded. The motion carried.

The Chairman thanked Representative Whitham for his hard work and the committee for their thoughtful discussions.

The meeting was adjourned at 10:40 A.M. The next meeting in March 11, 2008.