

March 1, 2012

The Honorable Richard Carlson, Chairperson
House Committee on Taxation
Statehouse, Room 274-W
Topeka, Kansas 66612

Dear Representative Carlson:

SUBJECT: Fiscal Note for HB 2716 by House Committee on Veterans, Military, and
Homeland Security

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2716 is respectfully submitted to your committee.

HB 2716 would exempt up to two motor vehicles from property taxes if owned by a full-time member of the military service of the United States stationed in Kansas; or a full-time active guard and reservist member of the Kansas Army National Guard, Kansas Air National Guard, or a Kansas unit of the reserve forces of the United States under authority of Title 10 or Title 32 of the United States Code, and is stationed or assigned in Kansas.

The Department of Revenue estimates that HB 2716 would reduce local property tax revenue by \$600,000 in FY 2013. The Department based its estimate on information received from the Kansas Adjutant General's Department which indicates that approximately 1,000 Army and Air National Guard members are on active duty and would qualify for the exemption. The effect on specific counties was not noted. The Department indicates that reliable information on the number of active duty Army, Navy, Air Force, Marine, and Coast Guard members who are stationed in Kansas and are also Kansas residents is not available, but would not be excessive. The Department indicates that any costs associated with implementing this bill would be negligible and could be absorbed within existing resources.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Steve Neske, Revenue
Melissa Wangemann, Kansas Association of Counties