

February 8, 2012

The Honorable Les Donovan, Chairperson
Senate Committee on Assessment and Taxation
Statehouse, Room 123-E
Topeka, Kansas 66612

Dear Senator Donovan:

SUBJECT: Fiscal Note for SB 369 by Senate Committee on Assessment and Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning SB 369 is respectfully submitted to your committee.

SB 369 would amend current law by specifically prohibiting incarcerated persons from receiving food sales tax refunds and homestead property tax refund. Incarcerated persons would include any person confined in any correctional facility, juvenile correctional facility, correctional facility of the Federal Bureau of Prisons located in Kansas, or any city or county jail.

The Department of Revenue states that the agency has interpreted the current food sales tax rebate and homestead refund statutes as not applying to persons who are in prison. As a result, no fiscal effect from the passage of SB 369 is anticipated. The Department further indicates that the Court of Tax Appeals recently awarded a state prisoner a food sales tax rebate claim, despite the Department's opposition to the ruling. The Department of Revenue is unaware of any other pending food sales tax rebate claims or homestead refund claims by offenders who are in prison. It is the Department's view that the bill would eliminate the risk that any future claims by incarcerated persons would be successful.

Sincerely,



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

cc: Steve Neske, Revenue