

May 18, 2017

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

Dear Senator Tyson:

SUBJECT: Fiscal Note for SB 249 by Senate Committee on Assessment and Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning SB 249 is respectfully submitted to your committee.

Under current law, county appraisers must follow the policies, procedures and guidelines of the Director of Property Valuation when performing their duties. If the Director has developed and adopted methodologies for specific property types, county appraisers must follow those methodologies. SB 249 would allow county appraisers to deviate from the policies, procedures and guidelines for grain elevator facilities on and after January 1, 2018.

According to the Department of Revenue, SB 249 would have no fiscal effect on the Educational Building Fund (EBF) and the State Institutions Building Fund (SIBF) which receive funding from a state 1.5 mill levy. The bill would also have no fiscal effect on property tax revenues that school districts would receive through the state's uniform mill levy.

The Kansas Association of Counties indicates that the bill could increase the number of property-valuation appeals if grain elevator valuations differ as a result of non-uniform standards for appraisals. The costs for any additional appeals would vary from county to county and the Kansas Association of Counties is unable to estimate the fiscal effect. The Board of Tax Appeals estimates that the bill would have no fiscal effect on the agency. Any fiscal effect associated with SB 249 is not reflected in *The FY 2018 Governor's Budget Report*.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Jody Allen, Tax Appeals
Lynn Robinson, Department of Revenue
Melissa Wangemann, Association of Counties