

SESSION OF 2017

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2341

As Amended by House Committee on Taxation

Brief*

HB 2341, as amended, would add Cowley and Seward counties to the list of counties eligible for the Rural Opportunity Zone (ROZ) program.

Background

The expansion would increase from 77 to 79 the number of counties eligible for the ROZ program, which provides an income tax exemption for certain qualified individuals who establish residency and authorizes state and county repayment of certain student loan debt.

In the February 20 House Committee on Taxation hearing on the original bill (which related only to Cowley County), proponents, including Representative Judd-Jenkins, stated the legislation would improve the county's recruitment capabilities and economic development.

On March 14, the House Committee amended the bill to include Seward County.

The latest fiscal information available from the Department of Revenue on the bill, as amended, indicates the addition of the two counties would be expected to reduce income tax receipts by \$116,000 in FY 2018 and by \$232,000 in FY 2019.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>