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Tax Lid Seven Year "Look Back" HB 2345

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The Unified Government of Wyandotte County/Kansas City supports House Bill 2345. It is a reasonable step which will ensure cities and counties who do cut taxes are not later punished for it.

Since 2017, the Unified Government Board of Commissioners has reduced city/county property taxes by 14%. That is largely made possible by pay-off of the Village West STAR Bonds which is now returning \$12-million a year in local sales tax to the Unified Government and \$42-million annually to the State of Kansas. Using those new sales tax revenues to reduce property taxes is a promise made to our citizens when Village West was built.

At the time of consolidation in 1996, the owner of a \$100,000 house paid \$1,116 in city/county property tax. More than 20 years later in 2019, the owner of a \$100,000 house will pay \$884 in UG property tax. That's a reduction of \$232, or nearly 21% less in property taxes since the Unified Government was formed.

The budget moves the KCK property tax rate from 40 mills to 38 mills. KCK ranks 13th out of the 25 largest cities in Kansas, meaning 12 of those cities have higher property taxes than KCK. In 1997, KCK had the highest tax rate of the state's biggest cities.

The Wyandotte County property tax rate is 95th out 105 counties, meaning 94 Kansas counties have a higher tax rate. For a majority of KCK residents, the UG property tax is less than half the total tax bill at 45%. Public schools, the KCK Community College and State of Kansas make up the other 55%.

The priority for UG elected officials is to continue cutting property taxes as much as possible while still meeting the growing demands for government programs and services. But in the event of a financial crisis which required an increase in property taxes, HB 2345 would give the Unified Government some breathing room without having to have a costly election.