

## HOUSE BILL No. 2386

By Committee on Taxation

2-21

1 AN ACT concerning taxation; relating to the local ad valorem tax  
2 reduction fund; distribution to political subdivisions; amending K.S.A.  
3 2018 Supp. 79-2959 and repealing the existing section.

4  
5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2018 Supp. 79-2959 is hereby amended to read as  
7 follows: 79-2959. (a) There is hereby created the local ad valorem tax  
8 reduction fund. All moneys transferred or credited to such fund under the  
9 provisions of this act or any other law shall be apportioned and distributed  
10 in the manner provided herein.

11 (b) On January 15 and on July 15 of each year, the director of  
12 accounts and reports shall make transfers in equal amounts which in the  
13 aggregate equal 3.63% of the total retail sales and compensating taxes  
14 credited to the state general fund pursuant to articles 36 and 37 of chapter  
15 79 of the Kansas Statutes Annotated, and amendments thereto, during the  
16 preceding calendar year from the state general fund to the local ad valorem  
17 tax reduction fund, except that: (1) ~~No moneys shall be transferred from~~  
18 ~~the state general fund to the local ad valorem tax reduction fund during~~  
19 ~~state fiscal years 2018, 2019 and 2020~~ *The amount of the transfer on each*  
20 *date shall be \$22,500,000 during fiscal year 2020;* and (2) the amount of  
21 the transfer on each such date shall be \$27,000,000 during fiscal year 2021  
22 and all fiscal years thereafter. All such transfers are subject to reduction  
23 under K.S.A. 75-6704, and amendments thereto. All transfers made in  
24 accordance with the provisions of this section shall be considered to be  
25 demand transfers from the state general fund, except that all such transfers  
26 during fiscal year 2021 shall be considered to be revenue transfers from  
27 the state general fund.

28 (c) The state treasurer shall apportion and pay the amounts transferred  
29 under subsection (b) to the several county treasurers on January 15 and on  
30 July 15 in each year as follows: (1) Sixty-five percent of the amount to be  
31 distributed shall be apportioned on the basis of the population figures of  
32 the counties certified to the secretary of state pursuant to K.S.A. 11-201,  
33 and amendments thereto, on July 1 of the preceding year; and (2) thirty-  
34 five percent of such amount shall be apportioned on the basis of the  
35 equalized assessed tangible valuations on the tax rolls of the counties on  
36 November 1 of the preceding year as certified by the director of property

1 valuation.

2 Sec. 2. K.S.A. 2018 Supp. 79-2959 is hereby repealed.

3 Sec. 3. This act shall take effect and be in force from and after its

4 publication in the statute book.