

SESSION OF 2022

**SUPPLEMENTAL NOTE ON SUBSTITUTE FOR SENATE
BILL NO. 565**

As Recommended by Senate Committee on
Assessment and Taxation

Brief*

Sub. for SB 565 would provide, beginning in tax year 2024, for a uniform individual income tax rate of 4.75 percent for all Kansas taxable income of all individual income taxpayers, regardless of filing status.

Background

SB 565 was introduced by the Senate Committee on Assessment and Taxation at the request of Senator Tyson.

As introduced, the bill contained provisions related to property taxation of land in the federal Grassland Conservation Reserve Program. Those provisions were inserted into Senate Sub. for HB 2597, and the background for SB 565 may be found in the Supplemental Note for Senate Sub. for HB 2597.

The Senate Committee amended SB 565 to remove the provisions related to property tax and insert the provisions of SB 328, as introduced by the Senate Committee at the request of Senator Suellentrop, and create a substitute bill.

*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>

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on SB 328, the Department of Revenue estimates enactment of the bill would reduce State General Fund receipts by \$196.7 million in FY 2025, \$152.5 million in FY 2026, and \$152.9 million in FY 2027. Any fiscal effect associated with the bill is not reflected in *The FY 2023 Governor's Budget Report*.

Taxation; income tax; rates; single-bracket