

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE

The meeting was called to order by Chairman Les Donovan at 10:38 a.m. on February 9, 2012, in room 152-S of the Capitol.

All members were present except:

Sen. Anthony Hensley – excused

Sen. Terry Bruce – excused

Sen. Jeff King – excused

Committee staff present:

Chris Courtwright, Kansas Legislative Research Department

Christopher Sevedge, Kansas Legislative Research Department

Gordon Self, Office of the Revisor of Statutes

Scott Wells, Office of the Revisor of Statutes

Mary Jane Brueck, Committee Secretary

Conferees appearing before the committee:

Richard Cram, Director of Policy and Research, Department of Revenue

Others attending:

See attached list.

Sen. Les Donovan opened the meeting and recognized Richard Cram, Director of Policy and Research, Department of Revenue to speak on **SB 369 – Concerning taxation; relating to food sales tax refunds and homestead property tax refunds; certain confined persons.** He told the committee this bill was needed to clarify a previous bill. The Department has always interpreted the statutes providing the homestead refund and food sales tax rebate programs as not making any incarcerated persons eligible for either of those refund programs. This bill will clarify that incarcerated persons are not eligible for the rebate. (Attachment 1) Discussion was held. The hearing was closed.

SB 323 – Concerning income taxation; relating to credits; certain registered apprenticeships had no proponents or opponents present. Sen. Donovan asked Assistant Revisor Scott Wells to explain the purpose of this bill. He said, after December 31, 2012 there should be a credit allowed as a credit against the tax liability of taxpayer in the amount of \$1,000 for each apprentice registered with the state of Kansas and employed by the taxpayer for at least seven months or if the taxpayer employs more apprentices, an amount equal to \$1000 for 1200 hours worked by the apprentices in the taxable year. In order to qualify for the credit allowed under this section, the apprentice must be employed pursuant to an apprenticeship agreement registered with the Kansas department of commerce apprenticeship council.

Richard Cram was recognized again to speak on **SB 386 – concerning income taxation; relating to credits; business and job development.** He told the committee this bill is to correct an oversight on SB 196 from 2011. Mr. Cram explained how this bill would make the necessary corrections. There were no questions or concerns from the committee. (Attachment 2)

Seeing no further questions or comments, Sen. Donovan closed the discussion on these bills. He told the committee that next week they would be hearing “the Governor's tax proposal”, **SB 339 – Concerning taxation; relating to income tax, rate for individuals, credits, deductions and income determination; sales tax rate and distribution of revenue; severance tax, exemptions; homestead property tax refunds; food sales tax refund** on Tuesday and perhaps into Wednesday if needed. The committee needs a solution that works for both sides. He said the House has a similar bill to this one. Sen. Donovan plans to continue to hear **SB 317 – Concerning property taxation defining real and personal property.**

*Sen. Apple was recognized and moved that **SB 369** be passed out of committee; Sen. Love seconded the motion. Motion carried. Sen. Kelsey moved **SB 386** be passed out of committee. Sen. Apple seconded the motion. Motion carried.*

The next meeting will be Tuesday, February 14, 2012.

The meeting was adjourned at 10: 58 a.m.