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Date: January 22, 2020

To: Senator Caryn Tyson, Chair, Senate Assessment and Taxation Committee

From: Shahira Stafford, Kansas Cooperative Council

RE: Senate Bill 263 – requiring current year estimate on property tax valuation notice

Madam Chair and Members of the Committee,

Thank you for the opportunity to submit proponent testimony on Senate Bill 263. The Kansas Cooperative Council (KCC) represents all types of cooperatively structured businesses across the state. The KCC exists to promote, support, and advance the interest, business success, and understanding of the agricultural, utility, credit, and consumer cooperatives and their members through legislation and regulatory efforts and education. Simply, co-ops differ from for-profit businesses because they are member-owned, member-controlled, democratically-governed, and business profits are returned directly to their members.

As you know, our agricultural cooperatives in particular have been battling against drastically high property taxes on their commercial grain storage facilities in recent years. The KCC, along with our friends at the Kansas Grain and Feed Association, are in continuous discussions with the Kansas Department of Revenue's Property Valuation Division in making important revisions to their Grain Elevator Property Valuation Guide.

The KCC is in strong support of comprehensive property tax reform, and we believe that this bill has certain provisions that could benefit our members. **As we understand it, Senate Bill 263 would require property tax valuation notices that have been reduced through the appeals process to include additional information that would add a layer of transparency for the taxpayer.**

Those additions would include:

- **The mill levy and total property tax for the next preceding taxable year.**
- **An estimate of the current year property tax based on the current year assessed value and the mill levy for the next preceding taxable year.**
- **An explanatory statement that the current year property tax estimate is calculated based on the mill levy for the next preceding taxable year, as the final mill rate for the current year has not been computed, and that the actual tax on the property may vary from the estimate.**

On behalf of the Kansas Cooperative Council, I appreciate the opportunity to comment on Senate Bill 263 and request that when the committee considers the bill for action, you vote YES.