

SESSION OF 2023

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2416

As Amended by House Committee on Taxation

Brief*

HB 2416, as amended, would create two sales tax exemptions.

A sales tax exemption would be created for purchases by Kansas Suicide Prevention HQ for the purpose of bringing suicide prevention training and awareness to communities across Kansas.

A sales tax exemption would be created for purchases by 501(c)(3) not-for-profit corporations that are designated as Area Agencies on Aging by the Secretary for Aging and Disability Services for providing certain services to seniors and individuals with disabilities and for purchases made by a contractor for the purposes of constructing and maintaining facilities for such entities.

Background

The bill was introduced by the House Committee on Taxation at the request of Representative Wasinger.

House Committee on Taxation

In the House Committee hearing, **proponent** testimony was provided by Representative Titus and by representatives of the Kansas Association of Area Agencies on Aging and Disabilities, Kansas Silver Haired Legislature, North Central

*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>

Flint Hills Area Agency on Aging, and Northwest Kansas Area Agency on Aging. The proponents generally stated the bill would result in similar tax treatment for independent area agencies on aging as those that are operated by county governments and would enable the agencies to further their mission of providing services to Kansas senior citizens.

Written-only proponent testimony was provided by a representative of the Northeast Kansas Area Agency on Aging.

No other testimony was provided.

The House Committee amended the bill to remove a provision providing for a sales tax exemption on sales by Area Agencies on Aging and by inserting the contents of HB 2306, providing for a sales tax exemption for Kansas Suicide Prevention HQ. The background information for that bill is provided below.

HB 2306 (Kansas Suicide Prevention HQ Sales Tax Exemption)

The bill was introduced by the House Committee on Taxation at the request of Representative A. Smith on behalf of Kansas Suicide Prevention HQ.

House Committee on Taxation

In the House Committee hearing, **proponent** testimony was provided by representatives of Kansas Suicide Prevention HQ, generally stating the bill would enable them to further their mission of preventing suicide in Kansas, especially as it relates to operating the 988 suicide prevention hotline.

Written-only **opponent** testimony was provided by a representative of Americans for Prosperity-KS.

No other testimony was provided.

Fiscal Information

HB 2416 (Area Agencies on Aging)

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Department of Revenue indicates enactment of the bill would reduce state receipts by \$337,000 in FY 2024 and by \$132,000 in FY 2025 and all future years. Of these amounts, \$280,000 and \$109,000 would be from the State General Fund in the respective years, with the balance being from the State Highway Fund. Any fiscal effect associated with the bill is not reflected in *The FY 2024 Governor's Budget Report*.

HB 2302 (Kansas Suicide Prevention HQ)

According to the fiscal note prepared by the Division of the Budget on the bill, the Department of Revenue indicates enactment of the bill would reduce state receipts by \$42,000 per year beginning in FY 2024. Of this amount, \$35,000 would be from the State General Fund, and the balance would be from the State Highway Fund. Any fiscal effect associated with the bill is not reflected in *The FY 2024 Governor's Budget Report*.

Taxation; sales tax; exemptions; area agencies on aging; Kansas suicide prevention HQ