

SESSION OF 2012

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2548

As Recommended by House Committee on
Local Government

Brief*

HB 2548 would allow county treasurers to accept partial payments as a part of a payment plan for delinquent personal property taxes. Language also would be added to clarify that nothing in the statute is to be construed to modify the consequences of untimely payment of delinquent real or personal property tax.

The bill also would repeal KSA 79-2102, which allows the filing of an affidavit of poverty related to the nonpayment of personal property taxes and thereby stopping the issuance of a warrant.

Background

Current law requires that **delinquent** personal property tax payments be made in full, while delinquent real property taxes can be made on a payment plan. This bill would make payments for these two types of taxes consistent.

Representative Hineman appeared in support of the bill, as did a representative of the Kansas Association of Counties and two county treasurers. There were no opponents or neutral testimony.

Testimony indicated current law requires personal delinquent property taxes be paid in full, but allows for a payment plan for delinquent real property taxes. The

*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>

testimony indicated that by allowing for a payment plan for delinquent personal property taxes, it would reduce the overall tax burden by allowing the county to recoup some of the taxes owed on personal property, as treasurers already can do for real property taxes.

The testimony also indicated that KSA 79-2102 was outdated and seldom used. The statute first came into effect in the 1800s and has not been amended since the 1920s. It allowed delinquent taxpayers to avoid having a warrant issued for unpaid taxes by submitting an affidavit of poverty. However, there was no mechanism in the statute for determining the existence of poverty. In Lane County an oil company submitted an affidavit of poverty and avoided paying taxes on producing oil wells within the county.

According to the fiscal note submitted by the Division of the Budget the fiscal effect of this bill is unknown. Although county treasurers indicate that personal property taxes would be collected at a higher rate and the process of seizing and auctioning personal property to satisfy delinquent taxes would be avoided, it is not known how many taxpayers would make partial payments on personal property to satisfy their tax obligations.