

SESSION OF 2014

SUPPLEMENTAL NOTE ON SENATE BILL NO. 360

As Amended by Senate Committee on
Assessment and Taxation

Brief*

SB 360 would remove the sunset from a property tax abatement and credit for owners of homesteads destroyed or substantially destroyed by natural disasters, subject to budgetary restraints of the county or taxing subdivision.

Provisions in 2013 HB 2059 authorized counties to grant property tax abatement or credits to homeowners whose homes had been damaged or destroyed by earthquake, flood, tornado, fire, storm, or other event declared a disaster by governor. The 2013 legislation took effect for taxable years after December 31, 2011, and ending before January 1, 2014. The bill would remove the end date and authorize the abatement or credit to all future taxable years.

Background

Senator Petersen introduced the bill, along with Senators Faust-Goudeau, O'Donnell, and Tyson. Senator Petersen appeared as a proponent of the bill at the Senate Assessment and Taxation Committee hearing.

The Senate Committee amended the bill to reinsert language that had been amended into the 2013 bill in the Senate Committee of the Whole but removed by conference committee action in 2013. The amendment states that a board of county commissioners would not be prohibited from creating an agreement in which the board pays the full

*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>

amount of assessed taxes, so long as the amount is properly apportioned to the county, municipalities, school districts, and other entitled taxing subdivisions.

The fiscal note provided by the Division of the Budget could not estimate the amount by which the bill, as introduced, would decrease property taxes revenues. There would be some undetermined reduction in revenue collected for the Educational Building Fund and the State Institutions Building Fund; lower property taxes would also reduce the revenue for local school districts, requiring increased state aid through the school finance formula.