MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman John Edmonds at 9:00 a.m. on February 11, 2004 in Room 519-S of the Capitol.

All members were present except: Representative John Edmonds- excused Representative Tom Sawyer- excused Representative Vaughn Flora- excused

Committee staff present: Chris Courtwright, Legislative Research Department Martha Dorsey, Legislative Research Department Gordon Self, Revisors of Statutes Carol Doel, Committee Secretary

Conferees appearing before the committee: Dennis Wilson, Johnson County Treasurer Jan Kennedy, Sedgwick county Treasurer Joan Wagnon, Secretary Internal Revenue Rep. David Huff Ron Hein, R.J. Reynolds Tobacco Kathy Damron, Philip Morris DeanWilliams, Kansas Motor Carriers Gwendolyn Cargnel, Tobacco Free Kansas Coalition, Inc. Tom Palace, Petroleum Marketers and Convenience Store Assoc. Of Kansas

Others attending: See Attached List.

Acting Vice-Chair Representative Tafanelli opened the meeting for bill introductions.

Representative Goico requested the introduction of a bill which he called aircraft maintenance and repair. This bill would provide sales tax exemptions for aircraft repairs and modifications in the State of Kansas.

Hearing no objections, Acting Vice-Chair Tafanelli accepted that bill for introduction.

With no one else wishing to introduce a bill, the meeting was opened for public hearing on HB 2560.

Dennis Wilson, Johnson County Treasurer, was recognized to give testimony in support of **HB 2560**. Mr. Wilson stated that this bill is designed to allow counties across the State to change methods of operation should they choose to do so. The only mandate associated with the bill is an increase to the existing tolerance amount related to interest due for delinquent personal property taxes. (<u>Attachment 1</u>)

Sedgwick County Treasurer, and CPA, Jan Kennedy gave three reasons why Sedgwick County supports **HB 2560**.

- Acceptance of delinquent taxes in full without payment of the interest due if the amount of the interest due is less than \$5.
- Allow the acceptance of delinquent tax payments during the preparation of warrants for unpaid personal property taxes.
- Allowing judgments of delinquent personal property taxes to become dormant after 7 years if the county commissioners determine it is not reasonable t expect payment. (<u>Attachment 2</u>)

Written testimony in support of **HB 2560** was provided by Charles A. Henry, Director of Revenue/Treasury Unified Government of Wyandotte County/Kansas City, Kansas. (<u>Attachment 3</u>)