MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman John Edmonds at 9:00 a.m. on February 17, 2004 in Room 313-S of the Capitol.

All members were present:

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:

Honorable Representative Doug Mays, Speaker of the House
Honorable Representative Scott Schwab
Honorable Representative Arlen Siegfreid
Honorable Representative Becky Hutchins
Dave Gregory, Star Lumber - Wichita
Mike Howerter, Howerter Appliances - Parsons
Barbara Kidell, Home Lumber - Coffeyville
Jeff Morris, Coffeyville City Manager
Chris Cleaver, Cleaver Farms - Chanute
Charlie Gregor, Leavenworth-Lansing Chamber of Commerce
Tim Liebert, Kansas Sampler, Overland Parks, KS

Others attending:

See Attached List

Chairman Edmonds opened the meeting requesting a bill introduction dealing with exempt buyers, contractors and certain repairs sales tax collectors.

There were no objections and that will be accepted for introduction.

The second bill which The Chairman requested dealt with local authorization for certain sales and income taxes.

This bill was also accepted for introduction.

The Chairman's third bill request dealt with certain gas collective issues and the taxation thereof.

There being no objections, that bill was accepted for introduction.

Representative Larkin requested the introduction of a bill for Representative Gatewood. This bill would be for a sales tax exemption certificate for a non-profit family life center.

This bill was accepted for introduction.

With no further bill introductions, Chairman Edmonds opened the meeting for public hearing on **HB 2700** and **HB 2599** explained that each member of the committee would be allowed one question per conferee and any further questions would need to be addressed through the Vice-Chairman or the Ranking Member as is appropriate.

The Chairman recognized Representative Scott Schwab to give a brief explanation of **HB 2700**. Representative Schwab explained that this would undo the destination based sourcing that was put in conference committee and passed on the floor of the Senate last year.

Representative Siegfreid was recognized next to give an explanation of HB 2599. This bill puts a moratorium