April 13, 2015

The Honorable Marvin Kleeb, Chairperson
House Committee on Taxation
Statehouse, Room 185-N
Topeka, Kansas 66612

Dear Representative Kleeb:

SUBJECT: Fiscal Note for HB 2424 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2424 is respectfully submitted to your committee.

HB 2424 would provide that property otherwise exempt from ad valorem property taxation would be subject to a statewide school levy at the rate of 5 mills for the 2015-16 school year and 2016-17 school year.

According to the Kansas Department of Revenue, enactment of HB 2424 would increase revenues to the School District Finance Fund by levying a 5-mill tax on property that would be exempted from ad valorem taxation. However, not all exempt property is listed with county appraisers. As a result, the Department of Revenue has no data to estimate the amount of additional revenue as a result of the enactment of HB 2424. Any fiscal effect associated with HB 2424 is not reflected in The FY 2016 Governor’s Budget Report.

Sincerely,

Shawn Sullivan,
Director of the Budget

cc: Jack Smith, Department of Revenue
    Dale Dennis, Education