

January 27, 2014

The Honorable Les Donovan, Chairperson
Senate Committee on Assessment and Taxation
Statehouse, Room 123-E
Topeka, Kansas 66612

Dear Senator Donovan:

SUBJECT: Fiscal Note for SB 295 by Senate Committee on Commerce

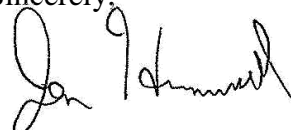
In accordance with KSA 75-3715a, the following fiscal note concerning SB 295 is respectfully submitted to your committee.

Under current law, individuals, corporations, financial institutions, and insurance companies are able to claim the Community Service Contribution tax credit for cash contributions to an approved community service organization. SB 295 would allow organizations that provide youth apprenticeship and technical training to qualify as a community services organization. The bill defines youth apprenticeship and technical training as activities designed to improve access to and quality of apprenticeship and technical training which support an emphasis on rural housing and any necessary equipment, facilities, and supportive mentorship.

The Department of Revenue indicates that the amount of Community Service Contribution tax credit that can be claimed in each fiscal year is currently capped at \$4,130,000 and allowing additional organizations to qualify for this tax credit program would not have a noticeable fiscal effect on State General Fund revenues.

The Department of Commerce indicates that it is currently responsible for managing the Community Service Contribution Tax Credit Program. The Department indicates that the administrative costs associated with reviewing additional applications to become an eligible community services origination would be negligible and could be absorbed within existing staff levels and resources. Any fiscal effect associated with SB 295 is not reflected in *The FY 2015 Governor's Budget Report*.

Sincerely,



Jon Hummell,
Interim Director of the Budget

cc: Steve Neske, Department of Revenue
Dan Lara, Commerce