

To: House Taxation Committee, Representative Adam Smith, Chairman

From: John Donley, Kansas Farm Bureau

Date: March 13, 2024

Re: HB 2815- decreasing the rate of ad valorem tax imposed by a school district

Chairman Smith and members of the Committee, I appreciate the opportunity to provide testimony as a proponent to HB 2815. My name is John Donley, and I am speaking today on behalf of Kansas Farm Bureau (KFB). KFB is the state's largest general farm organization representing more than 30,000 farm and ranch families through our 105 county Farm Bureau Associations.

KFB has long standing policy that "support[s] a state tax, fee, and revenue mix that does not increase the dependency on property tax." There has been significant pressure over the years to rely more and more on property tax for state and local government revenue. HB 2815 is a step in the right direction to begin reducing some of the property tax burden for Kansas taxpayers.

A reduction and capping of the property tax portion of the funding for K-12 education is a good start toward relying more on sales and income tax to fund K-12 education through state general fund dollars. The funding of K-12 education will continue to have a significant portion of its funding through property taxes via the local option budget. However, this bill will allow for overdue property tax relief for all Kansans.

While KFB does not have a position on the abolishment of the funds dealing with the financing of local units of government, the inclusion of the property tax relief in this bill has compelled us to be in favor of this important measure.

Thank you for your positive consideration of this measure, and I encourage you to pass this bill out favorably when the opportunity arrives.