

SESSION OF 2023

SUPPLEMENTAL NOTE ON SENATE BILL NO. 97

As Recommended by Senate Committee on
Assessment and Taxation

Brief*

SB 97 would increase, beginning in tax year 2023, the amount of residential property exempt from the statewide uniform 20 mill school finance levy from \$40,000 to \$65,000 of appraised value.

A formula to increase the amount of the exemption based upon the statewide average increase in residential valuation over the preceding ten years would be delayed in implementation from tax year 2023 to 2024.

Background

The bill was introduced by the Senate Committee on Assessment and Taxation at the request of Senator Peck.

Senate Committee on Assessment and Taxation

In the Senate Committee hearing, **proponent** testimony was provided by Senator Peck, who generally stated the bill would provide widely applicable property tax relief to Kansas homeowners. Written-only proponent testimony was provided by representatives of the Kansas Association of Realtors and Kansas Policy Institute.

Neutral testimony was provided by a representative of United School Administrators of Kansas. Written-only neutral

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

testimony was provided by representatives of the Kansas Association of School Boards and United School Administrators.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, the Department of Revenue indicates enactment of the bill would decrease revenues from the 20 mill school finance levy by \$55.6 million in FY 2024, \$58.8 million in FY 2025, and \$62.3 million in FY 2026. Reduced receipts attributable to this levy would result in commensurate increased required State General Fund expenditures for school finance.

Any fiscal effect associated with the bill is not reflected in *The FY 2024 Governor's Budget Report*.

Taxation; property tax; homestead exemption; school finance