

Approved: May 4, 2012
(Date)

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman Richard Carlson at 3:05 pm on May 3, 2012, in Room 783 of the Docking State Office Building.

Members excused were:

Representative Donohue
Representative Weber

Committee staff present:

Scott Wells, Office of the Revisor of Statutes
Chris Courtwright, Kansas Legislative Research Department
Chris Sevedge, Kansas Legislative Research Department
Phyllis Fast, Committee Assistant

Others attending: See attached list.

Chairman Carlson requested discussion and action on:

HB 2501 - Property taxation; defining real and personal property.

Chairman Carlson indicated a compromise regarding **HB 2501** that he requested in the discussion on March 15, 2012 could not be reached. In order to assist the parties involved, Chairman Carlson requested today's meeting work **HB 2501** by removing all existing language and inserting language to hold in abeyance for two years. Regarding any property coming out of tax abatement, Post Audit and an Interim Committee will study and make recommendation as to the definitions of Real and Personal Property.

Scott Wells briefed the Committee on a balloon amendment regarding **HB 2501**. He stood for questions. (Attachment 1)

Representative Kleeb made a motion to revise the second sentence in section (d) to say "Commercial and industrial machinery and equipment which was subject to and approved for abatement and exempted, or classified as personal property as of July 1, 2006, shall be classified as personal property, and shall not be reclassified as any other property classification. Representative Schwab seconded the motion".

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

Minutes of the HOUSE TAXATION Committee at 3:05 PM on Thursday, May 3, 2012 in
783-DSOB.

After considerable discussion and comment by the Committee concerning the balloon amendment's long-term and short-term ramifications, Representative Kleeb renewed his motion. Motion carried.

Representative Kleeb made a motion to revise the first sentence to say "Any commercial and industrial machinery and equipment acquired on or after January 1, 2011, and exempted pursuant to this section shall not lose such exemption by its attachment, annexation or adaption to real estate", with the third sentence affecting only this sentence. Representative Goico seconded the motion. Motion carried.

Representative Schwab made a motion to remove all language from **SB59 - Property tax; interest rate charged; delinquent or unpaid tax and overpayment of taxes; clerical errors and add amendment** and insert the above amended language. Representative Kleeb seconded the motion. Motion carried.

The next meeting of the Committee is not scheduled.

The meeting was adjourned at 4:15 pm.