

February 23, 2012

The Honorable Richard Carlson, Chairperson
House Committee on Taxation
Statehouse, Room 274-W
Topeka, Kansas 66612

Dear Representative Carlson:

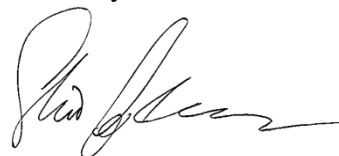
SUBJECT: Fiscal Note for HB 2710 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2710 is respectfully submitted to your committee.

Under current law, property taxes are required to be paid in full on December 20th of each year, or in equal payments on December 20th and on May 10th of the following year. HB 2710 would allow individuals 65 years of age or older to pay their property taxes in four equal payments on December 20th, February 10th, April 10th, and May 10th. Interest would be charged to any unpaid portion if the amount due is not paid by the date due.

The Department of Revenue indicates that the implementation of HB 2710 would have no fiscal effect on the amount of property taxes collected. The bill would allow individuals 65 years or older to pay property taxes in smaller increments, which could have the potential to increase the amount of property taxes collected. The amount of increased property taxes could be offset by lower interest earnings from additional payments being made by the date the property taxes are due. The Kansas Association of Counties also believes counties would incur additional expenditures because new procedures would need to be developed to accommodate the new payment schedule. The organization states that it is unable to provide a precise estimate of the fiscal effect associated with HB 2710.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Anderson", written over a white background.

Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Steve Neske, Revenue
Melissa Wangemann, Kansas Association of Counties
Dale Dennis, Education