

February 18, 2013

The Honorable Marvin Kleeb, Chairperson
House Committee on Commerce, Labor and Economic Development
Statehouse, Room 286-N
Topeka, Kansas 66612

Dear Representative Kleeb:

SUBJECT: Fiscal Note for HB 2272 by House Committee on Commerce, Labor and Economic Development

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2272 is respectfully submitted to your committee.

Under current law, when a property tax exemption is issued for property constructed or purchased in part with the proceeds of revenue bonds, the title of the property is transferred to the county or municipality for the duration of the exemption. HB 2272 would eliminate the requirement that the title be transferred to the county or municipality. The bill would apply to property constructed or purchased with the proceeds of revenue bonds issued on or after July 1, 2013.

The Department of Revenue and the Court of Tax Appeals indicate HB 2272 would have no fiscal effect on state or local property tax revenues. The bill would only change the necessity for the title of the exempt property to be transferred to the county or municipality for the duration of the exemption.

The Kansas Association of Counties and the League of Kansas Municipalities indicate that the requirements of HB 2272 would have no fiscal effect on local governments.

Sincerely,



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

cc: Steve Neske, Revenue