

April 13, 2015

The Honorable Marvin KleeB, Chairperson
House Committee on Taxation
Statehouse, Room 185-N
Topeka, Kansas 66612

Dear Representative KleeB:

SUBJECT: Fiscal Note for HB 2424 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2424 is respectfully submitted to your committee.

HB 2424 would provide that property otherwise exempt from ad valorem property taxation would be subject to a statewide school levy at the rate of 5 mills for the 2015-16 school year and 2016-17 school year.

According to the Kansas Department of Revenue, enactment of HB 2424 would increase revenues to the School District Finance Fund by levying a 5-mill tax on property that would be exempted from ad valorem taxation. However, not all exempt property is listed with county appraisers. As a result, the Department of Revenue has no data to estimate the amount of additional revenue as a result of the enactment of HB 2424. Any fiscal effect associated with HB 2424 is not reflected in *The FY 2016 Governor's Budget Report*.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Jack Smith, Department of Revenue
Dale Dennis, Education