

STATE OF KANSAS
SENATE

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CARYN TYSON
12TH DISTRICT

TO: House Committee on Taxation
FROM: Senator Caryn Tyson, 12th District
Re: SENATE BILL NO. 294 – TESTIMONY IN SUPPORT
Date: March 16, 2020

Thank you for the opportunity to testify in support of Senate Bill (SB) 294, increasing transparency in the property tax system. The bill would establish a Revenue Neutral Rate such that a property taxing authority could only collect an increased dollar amount from the previous year after mailing notices to the taxpayers and holding a Truth in Taxation (TNT) hearing. At the hearing the public could comment and the governing body would vote on rather to increase property taxes. The governing body could vote for the increase to be equal or less than the notified rate increase, or no increase at all. However, the rate cannot be greater than the notified rate increase.

Many Kansans are upset about property taxes. Last year, Senator Estes asked if I would visit with his brothers about their experiences regarding property taxes. We joined forces with other stakeholders throughout the state to define problems in the system and work on solutions. As a result of those efforts, several pieces of legislation were introduced, including SB 294.

SB 294 addresses property tax increases, not budgets. The legislation was modeled after existing law in Utah and Tennessee. Utah has had a similar system in place for 35 years. Tennessee has had a Truth In Taxation process since 1979 – over 40 years.

Former Utah Senate President and Tax Chair, Wayne Niederhauser, who spoke to your committee earlier this session, said “the advantage of the system is the taxing entities benefit from a predictable and stable revenue stream to pay for public service and taxpayers become more informed and involved in the process.”

The SB 294 does not include exclusions for new construction or inflation increases. Too include any exclusions would muddy the waters and inject confusion in the process for taxpayers. This bill helps in making property tax increases understandable and transparent. Some argue that Utah has the new construction exemptions therefore Kansas should also. However, they often fail to mention, Utah also has a statutory cap on property tax increases. Tennessee does not have these exclusions and is more transparent. It simplifies the process to have a Truth in Taxation hearing for all property tax increases. It promotes transparency for the taxpayers and local government. The Senate passed the bill 39 Yes and 0 No votes. An amendment allowing a new construction exemption failed on the senate floor with 27 No votes. The amendment to allow an inflation increase failed on a voice vote.

Thank you for your consideration. I stand in support of SB 294 and ask for your vote to pass the bill.

NOTICE OF PROPERTY TAX CHANGES

COMPARE

BE HEARD

Assessment Type	2019 Market Value	2018 Market Value	
FULL MARKET VALUE	\$785,100	\$697,000	If you believe the assessed value of your property is incorrect, you may begin the appeal process
RESIDENT EXEMPTION REDUCTION	<353,295>	<313,650>	
TOTAL TAXABLE VALUE	\$431,805	\$383,350	

NOTICE OF TAX CHANGES

TAXING ENTITY	2019 IF TAX INCREASE APPROVED		2019 IF NO BUDGET CHANGE		2019 CHANGE IF INCREASE APPROVED		2018		Date/Time/Place
	Rate	Tax	Rate	Tax	Tax	%	Rate	Tax	
CANYONS SCHOOL DISTRICT	.005271	2,276.04	.004665	2,014.37	\$261.67		.004696	1,800.21	AUG 06 6:00 PM 9361 SOUTH 300 EAST
STATE BASIC SCHOOL LEVY	.001661	717.23	.001661	717.23		13%	.001666	638.66	AUG 06 6:00 PM 9361 SOUTH 300 EAST
UT CHARTER SCHOOL-CANYONS	.000087	37.57	.000087	37.57			.000073	27.96	AUG 06 6:00 PM 9361 SOUTH 300 EAST
JORDAN SCH OLD DEBT SVCE	.000488	210.72	.000488	210.72			.000560	214.66	
SALT LAKE COUNTY	.001933	834.66	.001933	834.66		33%	.002025	776.29	
SANDY CITY	.001456	628.71	.001096	473.26	\$155.45		.001144	438.55	AUG 13 6:00 PM 10000 S CENTENNIAL PKWY
SL COUNTY LIBRARY	.000536	231.45	.000536	231.45			.000559	214.29	
SO SL VALLEY MOSQUITO	.000014	6.05	.000014	6.05			.000015	5.75	
METRO WATER SANDY	.000311	134.29	.000311	134.29			.000325	124.59	
COTTONWOOD IMPROVEMENT	.000169	72.98	.000169	72.98			.000176	67.47	
ALTA CANYON REC SPCL SVCE	.000170	73.41	.000170	73.41			.000178	68.24	
CENTRAL UT WATER CONSERV	.000400	172.72	.000378	163.22	\$9.50	6%	.000400	153.34	AUG 12 6:00 PM 1426 E 750 N #400 OREM
MULTI COUNTY ASSESS/COLL	.000009	3.89	.000009	3.89			.000009	3.45	
COUNTY ASSESS/COLL LEVY	.000216	93.25	.000216	93.25			.000225	86.25	
TOTAL	.012721	5,492.99	.011733	5,066.37			.012051	4,619.75	

VALUES DO NOT INCLUDE TAX RELIEF, DELINQUENT TAXES, PERSONAL PROPERTY TAXES, OR SPECIAL ASSESSMENTS

BE HEARD
A public meeting will be held