

January 29, 2019

The Honorable Kent Thompson, Chairperson
House Committee on Local Government
Statehouse, Room 187-N
Topeka, Kansas 66612

Dear Representative Thompson:

SUBJECT: Fiscal Note for HB 2002 by Representative Resman

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2002 is respectfully submitted to your committee.

HB 2002 would require certain business property that receives a property tax exemption, from either industrial revenue bonds or the economic development property tax exemption, to still pay the property tax levied by a fire district. The bill would not apply to property that has already received the property tax exemption or has the approval from the city, county, or public hearing for the property tax exemption prior to July 1, 2019.

The Department of Revenue and Board of Tax Appeals indicate HB 2002 would have no fiscal effect on state revenues or expenditures. The Kansas Association of Counties and the League of Kansas Municipalities indicate that the bill would increase revenues to fire districts. However, they do not have data on the amount of property that would be exempt and the valuation of that property which would be needed to calculate the precise fiscal effect.

Sincerely,



Larry L. Campbell
Director of the Budget

cc: Lynn Robinson, Department of Revenue
Jody Allen, Tax Appeals
Chardae Caine, League of Municipalities
Jay Hall, Association of Counties