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To: Senate Assessment and Taxation Committee
From: Mark Tomb, VP of Governmental Affairs
Date: March 8, 2022

Re: Testimony in Support of Property Tax Relief

On behalf of the Kansas Association of REALTORS® (KAR), thank you for the opportunity to provide testimony in support of several pieces of legislation (SB 540, SB 462, and SB 384) that reduce the property tax burden of Kansas homeowners.

The Kansas Association of REALTORS® represents over 11,000 members involved in residential, agricultural and commercial real estate and has advocated on behalf of the state's property owners for over 100 years. REALTORS® serve an important role in the state's economy and are dedicated to working with our elected officials to create better communities by supporting economic development, a high quality of life and providing affordable housing opportunities while protecting the rights of private property owners.

The KAR Legislative Policy Statement provides:

REALTORS® believe that real estate is burdened with an excessive share of the constantly increasing cost of state and local government. While we realize the importance of many programs funded through property tax revenues, we believe tax revenues should be equitably collected from a variety of sources and encourage taxing jurisdictions to consider the negative impact to the housing market associated with any potential increase in property tax rates.

The three pieces of legislation under consideration today each offer significant relief to homeowners:

SB 540- The current SAFESR program offers a 45% income tax credit for property taxes paid for those over 65 and with an income less than 120% of the federal poverty level. This expanded program would create two tiers of tax relief; a 75% income tax credit for property taxes paid for those under 120% of the federal poverty rate and a 50% tax credit for those between 120% and 200% of the federal poverty rate. Advantage: Provides targeted tax relief to seniors at lower income levels, fixed income seniors don't get taxed out of their home.

SB 462- Creates an additional homestead property tax refund program to those over the age of 65 and to disabled veterans with a household income of less than \$50,000 a year (an amount that increases based on inflation). Would create a base year and provide a tax credit based on future year increases. Advantage: Provides targeted tax relief to seniors and disabled veterans at lower income levels.

SB 384- Would allow for up to a \$1,000 income tax credit for property taxes paid on an owner-occupied property. Provides property tax relief to all homeowners regardless of income or house value. Advantage: Provides straightforward property tax relief to property taxpayers.

KAR supports property tax relief and is encouraged by these and other proposals to reduce the reliance on property taxes by state and local government. Thank you for your time and consideration of our testimony.