

Golden Years Homestead Property Tax Freeze Act

The bill would establish a new property tax circuit breaker refund program beginning in tax year 2020 that would provide refunds of a portion of property taxes paid on qualifying residential homestead property equivalent to the total property tax increase over the base year. For taxpayers qualifying at the time of enactment, tax year 2019 liability would be deemed as the base year. For all other taxpayers, the base year would be the first year in which they are eligible to claim the refund provided by the refund program. The refund would be the amount of property tax in excess of the base year amount. The maximum amount of any refund under the program would be \$5,000.

To qualify for the refund program, the bill would require a taxpayer to have a household income of less than \$75,000 and be 65 years of age or older or a disabled veteran. The household income threshold would be annually adjusted according to the federal cost-of-living adjustment provided for in Section 1(f)(3) of the Internal Revenue Code.

The bill would require the value of the qualifying residential homestead property to be less than \$495,000. Qualifying taxpayers would be ineligible to claim a refund if they are seeking to claim the existing Homestead Property Tax Refund. The bill would allow surviving spouses of qualified individuals to continue in the refund program unless they subsequently remarry. The bill would require refund program claims to be filed by April 15 for refund amounts determined by the previous property tax year's liability.

Under the bill, "disabled veterans" would include Kansas residents honorably discharged from active service in any branch of the armed forces of the United States or the Kansas National Guard who have been determined to have a 50 percent permanent disability sustained while on active duty.

Beginning with the second year of the program, the Director of Taxation would be required to send county clerks electronic records by October 1 of each year containing names of eligible claimants who have received refunds under the refund program for the prior year.

The bill would authorize the Director of Taxation to apply refunds to any state tax liability of the qualified individual or other member of the household. Remaining refunds would first be applied to any delinquent property taxes on the homestead and then to any current property tax liability.

The bill would grant the Secretary of Revenue authority to adopt rules and regulations necessary for administration of the refund program.

Selective Assistance for Effective Senior Relief Sunset

The bill would sunset the Selective Assistance for Effective Senior Relief tax credit at the end of tax year 2020.

Background

The bill was introduced by the House Committee on Veterans and Military at the request of the Enlisted Association of the National Guard of Kansas and referred to the House Committee on Taxation.

HB 2313

House Committee on Taxation

In the House Committee hearing, **proponent** testimony was provided by a representative of the Enlisted Association of the National Guard of Kansas, who stated it is unfair to provide active duty military or guard reserve members with an