

Approved: January 25, 2001

Date

MINUTES OF THE HOUSE COMMITTEE ON TAXATION.

The meeting was called to order by Chairperson John Edmonds at 9:00 a.m. on January 11, 2001 in Room 519-S of the Capitol.

All members were present except: Representative Cook, excused
 Representative Howell, excused

Committee staff present: Chris Courtwright, Legislative Research Department
 April Holman, Legislative Research Department
 Don Hayward, Revisor

Conferees appearing before the committee:
 Stephen S. Richards, Director, Dept. of Revenue
 Richard Cram, Director, Policy and Research, Dept. of Revenue

Others attending: See attached list.

By unanimous consent bill will be introduced relating to income taxation of investment funds service companies as requested by Kathy Damron representing Wadell & Reed. [HB 2061]

Stephen S. Richards, Secretary, Department of Revenue, introduced himself to the Committee and responded to questions and comments of members.

Richard L. Cram, Director of Policy & Research, Department of Revenue, presented a report on "Fiscal Impact of Repealing Sales Tax Exclusions and Exemptions", prepared by Steven Brunkan, Sales Tax Research Analyst (Attachment #1). The report provided a listing of each exclusion and exemption, identifying by statute, briefly describing it and estimating revenue. There are ten sales tax exclusions (K.S.A. 79-3603) and 59 exemptions (K.S.A. 79-3606).

Mr. Cram responded to questions of members of the Committee. He explained that an "exclusion" is contained within a statute that imposes a sales tax on a particular item, except in certain specified circumstances. An "exemption" expressly identifies a category of item as not being subject to sales tax.

The meeting adjourned at 9:55 a.m. The next scheduled meeting is January 17.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.