Approved: April 26, 2001

MINUTES OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE.

The meeting was called to order by Chairperson David Corbin at 11:40 a.m. on April 5, 2001, in Room 519-S of the Capitol.

All members were present except: Senator Allen

Committee staff present: Chris Courtwright, Legislative Research Department

April Holman, Legislative Research Department

Don Hayward, Revisor of Statutes Office Shirley Higgins, Committee Secretary

Conferees appearing before the committee: Charles R. Ranson, President, Kansas, Inc.

Others attending: See attached list.

The minutes of the March 28, 2001, meeting were approved.

HB 2219-Relating to annual reports concerning certain tax incentive effectiveness.

Charles Ranson, Kansas, Inc., testified in support of HB 2219 as passed by the House. He explained that the bill addresses a flaw in the mechanism whereby Kansas, Inc., reports annually on the utilization of state income tax credits and sales tax exemptions. The information Kansas, Inc., is able to provide currently by statute is incomplete and perhaps misleading. Due to strict confidentiality requirements imposed to safeguard taxpayer information from public disclosure, Kansas, Inc., and the Department of Revenue cannot resolve this problem on their own. The bill suspends the requirement that Kansas, Inc., produce an annual report until on or after January 1, 2003, and requires it and the Department of Revenue to develop a procedure that will provide Kansas, Inc., with necessary corporate and individual taxpayer information under appropriate safeguard protection so that Kansas, Inc., can fulfill its responsibility to provide a complete and meaningful report on the utilization of the incentives. (Attachment 1)

There being no others wishing to testify, the hearing on **HB 2219** was closed.

Senator Donovan moved to report **HB 2219** favorably for passage, seconded by Senator Praeger. The motion carried.

The meeting was adjourned at 11:45 a.m.

No further meetings are scheduled for the 2001 Legislative Session.