

**CONFERENCE COMMITTEE REPORT BRIEF
SENATE BILL NO. 410**

As Agreed to April 3, 2024

Brief*

SB 410 would amend law related to income tax, property tax, and sales tax.

With respect to income tax, the bill would make changes to the SALT Parity Act, provide for subtraction modifications for certain net operating losses and tax credit disallowances, clarify and modify the disallowed business interest deduction, reduce penalties for late remittance of withholding taxes, and extend the single city port authority income tax credit.

With respect to property tax, the bill would modify the revenue neutral rate notification and hearing process, make changes to property tax exemptions for certain electric generation property, codify property valuation adjustments related to adverse influences affecting agricultural land, specify land classification related to agritourism, make changes related to filing statements for personal property and certain property appeal procedures, and authorize the use of teleconferencing for certain State Board of Tax Appeals proceedings.

With respect to sales tax, the bill would authorize elections to be held for additional sales tax authority for Marshall, Neosho, and Rawlins counties.

Income Tax Changes

SALT Parity Act Changes

The bill would include a legislative finding that the purpose of the SALT Parity Act tax credit is to avoid double taxation of income on electing pass-through entity owners.

The bill would specify that the tax rate for tax under the SALT Parity Act would be the highest rate of tax imposed by the Kansas individual income tax.

The bill would also clarify that the tax on electing entities under the SALT Parity Act would be levied on:

*Conference committee report briefs are prepared by the Legislative Research Department and do not express legislative intent. No summary is prepared when the report is an agreement to disagree. Conference committee report briefs may be accessed on the Internet at <http://www.kslegislature.org/kIRD>

- The *pro rata* or distributive share of the entity's income for each nonresident owner that is attributable to Kansas; and
- The *pro rata* or distributive share of the entity's income for each resident owner calculated either before or after allocation and apportionment to Kansas. Entities would be required to use the same method of calculation for all resident owners.

The bill would provide that tax credits attributable to the electing entity would be passed through to and claimed by the entity owner.

The bill would also provide that addition and subtraction modifications and expensing deductions that are attributable to the activities of electing pass-through entities would be claimed on the tax returns of the entity and the entity's owners in the same proportion and manner as they would have applied without the SALT Parity Act election.

The provisions of the bill would be retroactive to tax year 2022.

Net Operating Loss Subtraction Modification

The bill would create a subtraction modification allowing taxpayers who carried back federal net operating losses in tax years 2018 through 2020 pursuant to the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act to subtract such amounts from their income for purposes of determining Kansas adjusted gross income. Taxpayers would be permitted to carry forward such net operating loss for up to 20 years if the amount exceeds the Kansas adjusted gross income of the taxpayer.

The bill would extend the deadline for eligible taxpayers to file amended returns for tax years 2018 through 2020 until April 15, 2025.

Federal Tax Credit Disallowance Subtraction Modifications

The bill would enact, beginning in tax year 2021, a subtraction modification in determining Kansas adjusted gross income equal to the amount of federal disallowance related to any federal credit under Subsection (a) of Section 280C of the federal Internal Revenue Code and, effective for tax years 2020 and 2021, 50 percent of the amount of federal disallowance related to the Employee Retention Tax Credit.

For the Employee Retention Tax Credit disallowance, the taxpayer would be required to prove that Kansas income tax had previously been paid on the disallowed amount and would be permitted to file a claim for refund or amended return on or before April 15, 2025.

The bill would also eliminate statutory references to repealed federal tax credits.

[*Note:* Subsection (a) of Section 280C of the Internal Revenue Code generally pertains to disallowed deductions associated with employment-related tax credits.]

Disallowed Business Interest

The bill would clarify the addition and subtraction modifications for disallowed business interest to specify that the addition modification is applicable to interest expenses paid or accrued in previous tax years and carried forward to the current tax year and that the subtraction modification is for interest expense actually paid or accrued in the current tax year.

The bill would also provide for tax year 2021 to include a subtraction modification for interest expenses paid or accrued in tax year 2021 to include the sum of interest expenses paid or accrued in tax years 2018, 2019, and 2020, less the sum of the amounts allowed as a deduction pursuant to Section 163 of the federal Internal Revenue Code in tax years 2018, 2019, and 2020.

Withholding Tax Remittance Penalties

The bill would replace the 15 percent penalty for employers not timely remitting withholding taxes with a graduated penalty system providing for penalties as follows:

- 2 percent, if the remittance is 1 to 5 days late;
- 5 percent, if the remittance is 6 to 15 days late;
- 10 percent, if the remittance is more than 15 days late; and
- 15 percent, if the remittance is more than 15 days late and the Department of Revenue notified the taxpayer regarding the delinquency, but the tax was not remitted within 10 days of the notification.

Single City Port Authority Tax Credit Extension

The bill would extend the income tax credit attributable to the retirement of indebtedness authorized by a single city port authority, currently scheduled to expire after tax year 2024, through tax year 2029.

Property Tax Changes

Revenue Neutral Rate Changes

The bill would specify that county clerks are not required to send hearing notices to owners of property that is exempt from taxation.

The bill would also require the vote of a governing body to exceed the revenue neutral rate to take place on the same day as the commencement of the public hearing to exceed the rate.

The bill would also authorize governing bodies that do not hold hearings pursuant to the revenue neutral rate process to exceed their revenue neutral rate in the case where the final taxable valuation of the taxing entity is less than the estimated value used to calculate the

revenue neutral rate, as long as the actual tax levy of the taxing entity is equal to or less than the tax levied in the previous year.

The bill would also replace the current provisions establishing minimum requirements for the contents of the revenue neutral rate hearing notice with new provisions specifying the heading and opening statement of the notice and requiring:

- The appraised and assessed value of the taxpayer's property for the current and previous year;
- The amount of property tax of each taxing subdivision on the property from the previous year's tax statement;
- The estimated amount of property tax for the current year of each taxing subdivision based on the revenue neutral rate;
- The estimated amount of property tax for the current year of each taxing subdivision based on the greater of the revenue neutral rate or the proposed tax rate provided by the subdivision to the county clerk, if the subdivision has notified the clerk of its intent to exceed the revenue neutral rate;
- The difference between the current year's maximum tax and the previous year's tax, in both dollars and percent, for each taxing subdivision;
- The date, time, and location of the hearing for each subdivision intending to exceed the revenue neutral rate; and
- For each taxing subdivision holding a revenue neutral rate hearing, the difference between the current year's maximum tax and the estimated tax at the revenue neutral rate.

The bill would also extend for one additional year, through calendar year 2024, the state reimbursement of printing and postage costs incurred when county clerks are required to mail notices of proposed tax increases beyond the revenue neutral rate. The bill also would extend the transfer from the State General Fund to the Taxpayer Notification Costs Fund to reimburse the printing and postage costs for one additional year.

Electric Generation Facility Exemptions

The bill would exempt the following property, as defined by the bill, from all property and ad valorem taxes:

- Any new electric generation facility, including nuclear energy facilities, for which construction begins on or after January 1, 2025;
- Any new addition to an electric generation facility constructed or installed on or after January 1, 2025; and
- Any new pollution-control device constructed or installed at an electric generation facility on or after January 1, 2025.

The new exemption would not apply to electric generation facilities that convert renewable energy sources to electricity and would apply for ten taxable years following the commencement of construction or installation of the property. [Note: Such facilities would continue to be eligible for property tax exemptions under existing law.]

The bill would specify that existing property and ad valorem tax exemptions for electric generation facilities and additions to such facilities, including pollution-control devices, would only apply to property for which an application for exemption is filed prior to December 31, 2024.

Agricultural Land Adverse Influence

The bill would codify the adjustments reducing the taxable value of agricultural land on the basis of adverse influences not sufficiently accounted for in the agricultural use valuation formula that are currently provided for in administrative guidance from the Property Valuation Division of the Department of Revenue.

The codified adverse influences would include, but not be limited to:

- Canopy cover, for which value is reduced from 20 to 50 percent based upon canopy covering of 25 to 100 percent of the impacted land;
- Salinity and alkalinity, for which value is reduced based upon a taxpayer-provided soil analysis from a crop consulting service;
- Water table fluctuation, for which value is reduced based upon the results of a U.S. Department of Agriculture Natural Resources Conservation Service review of the water table levels of the impacted land; and
- Newly constructed drainage and flood control areas, for which value is reduced based upon the impact on land use from newly constructed drainage and flood control areas.

Agritourism Land Classification

The bill would specify, beginning in tax year 2021, that land devoted to agricultural use would include land and buildings utilized as part of a registered agritourism activity at a registered agritourism location by a registered agritourism operator.

The selling of merchandise associated with the registered agritourism activity by the agritourism operator would not change the classification of the land or buildings as a result of such sales.

Residential Valuation Appeals

The bill would permit the use of appraisals performed by Kansas Certified Residential Real Property Appraisers for the equalization appeal procedure wherein a taxpayer files a third-party fee simple appraisal within 60 days after the notice of informal meeting results or final determination is mailed to the taxpayer.

[*Note:* Current law provides for only the use of appraisals performed by Kansas Certified General Real Property Appraisers for this appeal procedure.]

Personal Property Filing Changes

The bill would limit the instances in which a taxpayer must file statements regarding tangible personal property for tax purposes, reduce penalties for late filings, and specify circumstances in which extensions of time for filing such statements and abatements of penalties would be provided.

The bill would provide that if an initial statement listing tangible personal property for taxation has been filed with a county appraiser, future annual filings would only be required when there has been a change to report that is related to the property previously listed or to the initial statement.

The bill would reduce the penalty for late filing of oil and gas leases and tangible personal property from 5 percent to 2 percent per month with the maximum penalty for late filing being reduced from 25 percent to 10 percent. The penalty for a failure to file resulting in escaped taxation would be reduced from 50 percent to 12.5 percent.

The bill would require county appraisers, who currently have discretionary authority to do so, to grant an extension of a reasonable amount of time for taxpayers to file tangible personal property for taxation upon a showing of good cause.

County appraisers and the State Board of Tax Appeals would be required to abate late filing penalties under cases of excusable neglect or in the event the property has been repossessed by a creditor who paid the taxes on the property. [*Note:* Current law provides only the State Board of Tax Appeals with discretionary authority to abate such penalties.]

Beginning in tax year 2022, such good cause and excusable neglect would be specified to include instances in which tangible personal property had been previously classified as real property or a fixture to real property and was reclassified to be personal property. Such instances would be specified to include machinery and equipment used in industries of grain storage and processing and ethanol or other biofuels processing.

Board of Tax Appeals Teleconferencing

The bill would allow the State Board of Tax Appeals (BOTA) to conduct small claims and expedited hearings and appeals by teleconference or video conference as directed by the Chief Hearing Officer or a designee.

[*Note:* Current law requires such hearings and appeals to be held in the county or an adjacent county of where the property is located.]

Sales Tax Changes

The bill would authorize the boards of county commissioners of Marshall County, Neosho County, and Rawlins County to submit to the voters of the respective county a question of imposing a countywide sales tax:

- For Marshall County, at a rate of 1.0 percent for the purpose of financing construction of a jail facility;
- For Neosho County, at a rate of 0.5 percent for the purpose of financing the costs of roadway and bridge construction, maintenance, and improvement; and
- For Rawlins County, at a rate of up to 1.0 percent for the purpose of financing the construction or remodeling of attendance centers or other facilities of any school district within the county.

The respective taxes would expire upon their proceeds being sufficient to pay all costs authorized in financing the costs of the purposes described above.

The proceeds of the taxes would not be subject to apportionment with the cities of the respective county.

Conference Committee Action

The Conference Committee agreed to remove the contents of SB 410 and to amend the bill by inserting:

- The contents of HB 2465, as amended by the Senate Committee of the Whole, regarding net operating losses, tax credit disallowances, disallowed business interest, and changes to the SALT Parity Act;
- The contents of SB 8, as amended by the House Committee on Taxation, regarding personal property filing changes and withholding penalties;
- The contents of SB 376, as amended by the Senate Committee on Assessment and Taxation, regarding the single city port authority tax credit extension;
- The contents of SB 482, as amended by the Senate Committee on Assessment and Taxation, regarding various revenue neutral rate hearing changes;
- The contents of HB 2002, as amended by the Senate Committee of the Whole, regarding residential property valuation appeals, revenue neutral rate hearing notice reimbursement, and agricultural land adverse influence;
- The contents of HB 2254, as amended by the House Committee of the Whole, regarding agritourism land classification;
- The contents of Sub. for HB 2609, as passed by the House Committee of the Whole, regarding changes to electric generation property tax exemptions;
- The contents of SB 480, as introduced, regarding BOTA teleconferencing;

- The contents of HB 2819, as introduced, regarding Rawlins County sales tax authority;
- The contents of HB 2828, as introduced, regarding Marshall County sales tax authority; and
- The contents of SB 537, as introduced, regarding Rawlins County sales tax authority.

The Conference Committee further amended the bill by changing the amount of the Employee Retention Tax Credit disallowance to 50 percent of the federal amount.

Background

The Conference Committee removed the contents of SB 410, pertaining to the designation of certain highways, and inserted contents from HB 2465, SB 376, SB 482, SB 8, HB 2002, HB 2609, HB 2254, SB 480, HB 2819, HB 2828, and SB 537. The background information for the relevant portion of each of those bills is provided below.

HB 2465 (SALT Parity Act Changes, Net Operating Loss and Federal Tax Credit Disallowance Subtraction Modifications, and Disallowed Business Interest)

HB 2465 was introduced by the House Committee on Taxation at the request of Representative Helgerson.

House Committee on Taxation

In the House Committee hearing, **proponent** testimony was provided by a representative of the Kansas Society of Certified Public Accountants, who generally stated the bill would resolve technical discrepancies related to the SALT Parity Act.

No other testimony was provided.

Senate Committee on Assessment and Taxation

In the Senate Committee hearing, **proponent** testimony was provided by a representative of the Kansas Society of Certified Public Accountants, who generally stated the bill would resolve technical discrepancies related to the SALT Parity Act.

Written-only proponent testimony was provided by a representative of the Kansas Chamber of Commerce.

No other testimony was provided.

The Senate Committee amended the bill to modify the SALT Parity Act clarification and insert the contents related to subtraction modifications for net operating losses, employment-related tax credits, and disallowed business interest. [*Note: The Conference Committee retained these amendments.*]

Senate Committee of the Whole

The Senate Committee of the Whole amended the bill to insert the provisions related to the Golden Years Homestead Property Tax Freeze Program. [Note: The Conference Committee did not retain this amendment.]

SB 376 (Single City Port Authority Tax Credit Extension)

SB 376 was introduced by the Senate Committee on Assessment and Taxation at the request of WATCO.

Senate Committee on Assessment and Taxation

In the Senate Committee hearing, **proponent** testimony was provided by a representative of WATCO. The proponent generally stated the bill would keep short rail lines open on the national freight line for select customers in rural Kansas.

Written-only proponent testimony was provided by representatives of the Kansas Cooperative Council and the Kansas Grain and Feed Association, stating the bill would ensure continued service to small Kansas towns.

No other testimony was provided.

The Senate Committee amended the bill to shorten the extension of the credit sunset from 20 years to 5 years. [Note: The Conference Committee retained this amendment.]

SB 482 (Revenue Neutral Rate Changes)

SB 482 was introduced by the Senate Committee on Ways and Means at the request of Senator Tyson.

Senate Committee on Assessment and Taxation

In the Senate Committee hearing, **proponent** testimony was provided by the Sedgwick County Clerk, who generally stated the bill would allow for cost savings for local governments without reducing the information provided to taxpayers.

Written-only proponent testimony was provided by a representative of the Kansas Association of Realtors.

No other testimony was provided.

The Senate Committee amended the bill to insert the provisions requiring the vote to be held on the same day as the commencement of the hearing, allowing taxing entities to exceed the revenue neutral rate in cases of reduced final valuations, and specifying the contents of the revenue neutral rate notice. [Note: The Conference Committee retained the amendments to the relevant provisions.]

SB 8 (Personal Property Tax Filings and Withholding Penalties)

SB 8 was prefiled for introduction by Senator Steffen on January 3, 2023.

Senate Committee on Assessment and Taxation

In the Senate Committee hearing, **proponent** testimony was provided by Senator Steffen; representatives of Kansas Grain and Feed Association, Kansas Manufactured Housing Association, and Renew Kansas Biofuels Association; and a private citizen. The proponents generally stated the bill would alleviate penalties that seem stronger than necessary and may penalize taxpayers for simply forgetting to annually re-notify county appraisers of property.

Written-only proponent testimony was provided by representatives of the Kansas Cooperative Council and Kansas Livestock Association and by an attorney whose practice deals with property tax matters.

The Senate Committee amended the bill to insert provisions to require only a single filing and specifying circumstances related to extensions of time and abatements of penalties.

House Committee on Taxation

In the House Committee hearing, **proponent** testimony was provided by Senator Steffen, a private citizen, and representatives of the Kansas Grain and Feed Association and Renew Kansas Biofuels Association and the Kansas Manufactured Housing Association. The proponents generally stated the bill would reduce excessively punitive late filing penalties and make personal property tax compliance less burdensome for taxpayers.

Written-only proponent testimony was provided by representatives of the Kansas Cooperative Council and the League of Kansas Municipalities.

Written-only neutral testimony was provided by a representative of the Kansas County Appraisers Association.

No other testimony was provided.

The House Committee amended the bill to clarify the effective date of the provision requiring a single initial filing and inserted the contents of HB 2411, regarding withholding remittance penalties. [*Note: The Conference Committee retained these amendments.*] Background information for HB 2411 is provided below.

HB 2411 (Withholding Remittance Penalties)

HB 2411 was introduced by the House Committee on Taxation at the request of Representative Waggoner.

House Committee on Taxation

In the House Committee hearing, **proponent** testimony was provided by Representative Waggoner and representatives of the Kansas Chamber of Commerce and National Federation of Independent Businesses. The proponents generally stated the current penalties are unnecessarily punitive, and the penalties proposed by the bill mirror federal law.

Written-only proponent testimony was provided by a representative of Americans for Prosperity–Kansas.

No other testimony was provided.

HB 2002 (Various Property Tax Provisions)

The bill was introduced by Representative Fairchild.

House Committee on Taxation

In the House Committee hearing, **proponent** testimony was provided by Representative Fairchild, a representative of the Kansas Association of Counties, and a former county commissioner of Linn County. The proponents generally stated county costs associated with requirements mandated by the State should be reimbursed by state funds.

Written-only proponent testimony was also provided by representatives of the City of Overland Park, Kansas Association of School Boards, Kansas County Commissioners Association, League of Kansas Municipalities, and Unified Government of Wyandotte County and Kansas City, Kansas, as well as county clerks from Sedgwick and Cowley counties, county commissioners from Meade and Stafford counties, the Riley County Board of Commissioners, a Sedgwick County manager, a city manager of Manhattan, and the Director of Treasury, Taxation, and Vehicles of Johnson County.

Written-only neutral testimony was provided by a representative of the Kansas Policy Institute.

Opponent testimony was provided by a resident of Douglas County, who stated requiring counties to pay costs associated with raising taxes above the revenue neutral rate provides accountability for imposing such increases.

Senate Committee on Assessment and Taxation

In the Senate Committee hearing, **proponent** testimony was provided by Representative Fairchild, who generally stated the revenue neutral rate law without the reimbursement would amount to an unfunded mandate by the state upon local governments.

Written-only proponent testimony was provided by representatives of the Kansas Association of Counties, Kansas Association of School Boards, League of Kansas Municipalities, Meade County, and the City of Overland Park.

Written-only neutral testimony was provided by a representative of the Kansas Policy Institute.

No other testimony was provided.

The Senate Committee amended the bill to change the reimbursement extension from indefinite to one additional year and to insert provisions:

- Increasing the number of prior years' data provided on appraisal notices (similar to provisions previously contained in HB 2201);
- Modifying the contents of and specifying the form for the revenue neutral rate hearing notice;
- Permitting the use of fee simple appraisals performed by Kansas Certified Residential Real Property Appraisals in residential property valuation appeals;
- Codifying adverse influences for agricultural land valuations; and
- Changing the effective date.

[*Note*: The Conference Committee retained the relevant amendments.]

Senate Committee of the Whole

The Senate Committee of the Whole amended the bill to insert the provision permitting payment under protest appeals by taxpayers who have previously appealed their valuation pursuant to the equalization appeal procedure. [*Note*: The Conference Committee did not retain this amendment.]

HB 2609 (Electric Generation Property Tax Exemptions)

HB 2609 was introduced by the House Committee on Taxation at the request of a representative of Midwest Energy, Inc.

House Committee on Taxation

In the House Committee hearing, **proponent** testimony was provided by Representative Schreiber and representatives of Evergy, Kansas Electric Cooperatives, and Midwest Energy, Inc. The proponents generally stated estimated electrical power demand is greater than the estimated supply in future years, that Kansas needs more independent power producers to install and operate peak load generation plants, and that the bill would remove a disadvantage such facilities have in comparison with electric generation facilities owned by public utilities.

No other testimony was provided.

The House Committee amended the bill to provide for uniform exemption durations for electric generation facility property and sunset new applications for existing exemptions

beginning tax year 2025, and recommended a substitute bill be passed incorporating the amendments. [Note: The Conference Committee retained these amendments.]

HB 2254 (Agritourism Land Classification)

HB 2254 was introduced by Representative Neelly.

House Committee on Taxation

In the House Committee hearing, **proponent** testimony was provided by Representative Neelly and representatives of Kansas Farm Bureau and Z&M Twisted Winery. The proponents generally stated agritourism businesses are generally agricultural in nature and should not have their property classified as commercial due to retail transactions associated with agritourism activities.

Written-only neutral testimony was provided by a representative of the Department of Commerce.

The House Committee amended the bill to specify the provision would begin in tax year 2023 and to clarify the permissible sales without resulting in reclassification of land would be those associated with the registered agritourism activity.

House Committee of the Whole

The House Committee of the Whole amended the bill to make the provision retroactive to tax year 2021. [Note: The Conference Committee retained this amendment.]

SB 480 (Board of Tax Appeals Teleconferencing)

SB 480 was introduced by the Senate Committee on Assessment and Taxation at the request of a representative of BOTA.

Senate Committee on Assessment and Taxation

In the Senate committee hearing, **proponent** testimony was provided by a representative of BOTA. The proponent generally stated the bill would expand a convenient method for Kansans to appear before BOTA.

Written-only proponent testimony was provided by representatives of the Kansas Association of Counties and Kansas Association of Realtors.

No other testimony was provided.

HB 2819 (Rawlins County Taxing Authority)

HB 2819 was introduced by the House Committee on Taxation at the request of Representative A. Smith on behalf of the Rawlins County Board of County Commissioners.

House Committee on Taxation

In the House Committee hearing, **proponent** testimony was provided by two representatives of USD 105 and by a representative of the Rawlins County Board of County Commissioners. Proponents generally stated the bill would serve to allow sales tax proceeds to offset property tax revenues to be used in the construction of a school facility to replace a high school in Rawlins County that was destroyed by a fire.

No other testimony was provided.

The House Committee recommended the bill be placed on the Consent Calendar.

HB 2828 (Marshall County Taxing Authority)

HB 2828 was introduced by the House Committee on Taxation at the request of Representative A. Smith on behalf of the Board of County Commissioners of Marshall County.

House Committee on Taxation

In the House Committee hearing, **proponent** testimony was provided by a representative of Marshall County, who generally stated the current Marshall County jail is not compliant with modern jail standards and the bill would allow for the financing of a new jail facility.

No other testimony was provided.

SB 537 (Neosho County Taxing Authority)

SB 537 was introduced by the Senate Committee on Assessment and Taxation at the request of Senator Peck.

Senate Committee on Assessment and Taxation

In the Senate Committee hearing, **proponent** testimony was provided by Senator Peck, a representative of Neosho County, and a private citizen. The proponents generally stated the bill would help repair and maintain over 500 miles of roads and several bridges.

Written-only proponent testimony was provided by a private citizen.

No other testimony was provided.

The Senate Committee recommended the bill be placed on the Consent Calendar.

Fiscal Information

According to the Department of Revenue, the provisions of the bill with quantifiable state fiscal effects would have the following effect:

(Dollars in Millions)

	FY 2025	FY 2026	FY 2027
Net Operating Losses	\$ (16.8)	-	-
Employment Credit Disallowances	(1.1)	(0.4)	(0.4)
Employee Retention Credit Disallowance	(20.2)	(2.8)	-
Single City Port Authority Credit Extension	-	(0.5)	(0.5)
Personal Property Filing Changes	(0.4)	(0.4)	(0.4)
Total All Funds	\$ (38.5)	\$ (4.1)	\$ (1.3)

The state reimbursement of printing and postage costs of revenue neutral rate notices would require a transfer of \$1.4 million from the State General Fund to the Taxpayer Notification Costs Fund.

The following provisions would have either an indeterminate fiscal effect, a negligible fiscal effect, or no state fiscal effect:

- The provisions related to agritourism land classification and agricultural land adverse influences would have indeterminate fiscal effect on state and local property taxes;
- The provisions reducing withholding remittance penalties would have an indeterminate, likely negligible, positive effect on state receipts;
- The authorization of BOTA teleconferencing would have a negligible effect on state receipts; and
- The provisions related to the SALT Parity Act, disallowed business interest, revenue neutral rate hearings, property valuation appeals, and additional sales tax authority would have no fiscal effect.

The fiscal effect associated with the revenue neutral rate printing and postage cost reimbursement is reflected in *The FY 2025 Governor's Budget Report*.

Taxation; income tax; property tax; sales tax; salt parity act; disallowed credit deductions; disallowed business interest deductions; net operating losses; tax credit; single city port authority; housing investor tax credit; sales tax authority; Rawlins County; Marshall County; Neosho County; revenue neutral rate; personal property filings; property valuation; valuation appeals; board of tax appeals; video conferencing; exemptions; electric power generation; agritourism; land classification; agricultural land; adverse influences

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