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MINUTES OF THE HOUSE TAXATION COMMITTEE.

The meeting was called to order by Chairperson Wagle at 9:00 a.m. on February 2, 2000, in Room 519-S of the Capitol.

All members were present except: Rep. Wilk - excused

Rep. Sharp - excused

Committee staff present: Chris Courtwright, Legislative Research Department

April Holman, Legislative Research Department

Don Hayward, Revisor of Statutes Shirley Sicilian, Department of Revenue

Conferees appearing before the committee: Representative Sharon Schwartz

Representative Gayle Mollenkamp

Joe Lieber, Kansas Cooperative Council

Brett W. Myers, Kansas Wheat Growers Assoc. Jere White, Kansas Grain Sorghum Producers, Assoc.

Mark Taddiken, Kansas Soybean Association David Govert, Twenty First Century Alliance

Kent Symns, American White Wheat Producers Assoc.

Mark Beck, Dir., Property Valuation Division

Representative Vickery made a motion that was seconded by Representative Campbell for the introduction of a bill that would allow his counties to be granted the authority for an increase in sales tax, a portion which would go through a public election for the purpose of road construction. The motion carried on a voice vote.

<u>Chairperson Wagle moved and Representative Campbell seconded that a bill relating to property taxes on oil and gas wells be made into a Committee bill.</u> The motion carried on a voice vote.

HB 2617 - Income tax credit for investment in certain agricultural cooperatives.

The Chair then introduced Representative Sharon Schwartz who spoke as a proponent for <u>HB 2617</u>. (Attachments 1, 2 and 3).

Shirley Sicilian of the Department of Revenue explained the workings of HB 2617.

Asked if this would be limited to Kansans only, Ms Sicilian said that in the balloon amendment, the intent was that this be the case. She read from the balloon amendment for (4). She said that "eligible person" meant being a resident of Kansas.

Speaking next as proponents for **HB 2617** were:

Joe Lieber of the Kansas Coop Council who pointed out some of the concerns of his organization. (Attachment 4);

Brett Myers of the Kansas Assoc. of Wheat Growers Association. (Attachment 5);

Jere White of the Kansas Grain Sorghum Producers. (Attachment 6:

Mark Taddiken of the Kansas Soybean Association. (Attachment 7).

David Govert of Twenty First-Century Alliance. (Attachment 8) and

Kent Symns of the American White Wheat Producers Association. (Attachment 9).

Allie Divine of the Kansas Livestock Association handed out written testimony in support of <u>HB 2617</u>. (Attachment 10).

The hearing regarding **HB 2617** was concluded.

HB 2715 - Valuation of pasture and range land for property tax purposes.

CONTINUATION SHEET

Representative Gayle Mollenkamp testified in support of **HB 2617**. (Attachment 11).

He explained that all this bill does is clarify KSA-79-1476 which is the re-appraisal law.

Representative Osborne asked what the income was on the grassland over the last two years and what the increase was in taxes on that same land.

Representative Mollenkamp said that in his particular area in the last six or eight years the average rental income on grassland that has water and not too much adverse conditions, averages from seven to nine dollars.

The Chair invited Representative Mollenkamp to sit with the Taxation Committee for the rest of the meeting, to help with any questions that might be presented.

Mark Beck, Director of the Property Valuation Division, spoke in support of **HB2715**, (Attachments 12, 13 and 14).

Allie Divine of the Kansas Livestock Association spoke in support of **HB 2715**. (Attachment 15.

Speaking as an opponent to <u>HB 2715</u> was Robert Kline, President of the Chautauqua County Farm Bureau. (Attachment 16).

Mark Beck handed out copies of a letter he'd sent to all County Appraisers on April 27, 1998, regarding agricultural land valuations. (Attachment 17).

The meeting was adjourned at 10:50 a.m. The next meeting is scheduled for Thursday, February 3, 2000.