

Approved: _____
Date

MINUTES OF THE HOUSE TAXATION COMMITTEE.

The meeting was called to order by Chairperson Wagle at 9:00 a.m. on March 8, 2000, in Room 519-S of the Capitol.

All members were present except:

Committee staff present: Chris Courtwright , Legislative Research Department
April Holman, Legislatirve Research Department
Don Hayward, Revisor of Statutes
Shirley Sicilian, Department of Revenue
Ann Deitcher, Committee Secretary
Edith Beaty, Taxation Secretary

Conferees appearing before the committee: Karla Pierce, Secretary of Department of Revenue

The Chair introduced Department of Revenue Secretary, Karla Pierce who appeared before the Committee in regard to the February tax refunds. (Attachment 1).

Asked if this problem was discovered last November, why was the Committee not told when she appeared before them in January, the Secretary said they thought the problem was solved.

Representative Edmonds asked a question about the recipients of checks they were not entitled to and the interest they would have to pay if the money wasn't returned in a timely fashion. He asked why they would have to pay any interest on the amount since it wasn't their fault in the first place.

Secretary Pierce said that each case would be dealt with individually

In regard to people having to hire a tax accountant to handle the problem, the secretary was asked if the Department of Revenue planned to compensate these people for this additional expense. She said she didn't have the authority to do that.

Representative Aurand asked the Secretary if she would be willing to help with the language for a bill that would allow a credit in cases where the taxpayer, through no fault of their own, had been charged a fee or faced expenses brought about by the errors of others.

The Secretary said she would be happy to help craft some language that would give discretionary authority to give guidelines that would be appropriate.

The Chair said that since there was no meeting planned for Monday, March 13, members of the Committee would tour the Department of Revenue.

HCR 5064 - Amend article 11 of the constitution of the state of Kansas by adding a new section thereto, prohibiting the increase of the rate of certain taxes.

It was moved by Representative Long and seconded by Representative Gregory to favorably pass HCR 5064 out of Committee. The motion carried by a show of hands. Representative Flora wished his vote to be recorded as a no.

CONTINUATION SHEET

HB 2588 - Farming loss carrybacks allowed for income tax purposes.

Don Hayward explained what **HB 2588** would do. A copy of an amendment to the bill was distributed. (Attachment 2).

Representative Aurand made the motion to adopt the amendment to **HB 2588**. It was seconded by Representative Minor and carried on a voice vote.

It was moved by Representative Wilt and seconded by Representative Gilbert to pass **HB 2588** as amended. The motion passed on a voice vote.

HB 2577 - Income check-off for USD technology fund programs.

A balloon amendment to **HB 2577** was passed out to Committee members. (Attachment 3). Additional changes had been suggested. In line 19 the word “annually” would be replaced with “quarterly” and on line 21 the word “monthly” would be added following the word “report”.

Representative Johnston moved and Representative Campbell seconded the motion to adopt the balloon amendment to **HB 2577**.

A substitute motion was made by Representative Aurand and seconded by Representative Jenkins that **HB 2577** be tabled at this time. The motion passed by a show of hands.

The meeting was adjourned at 10:30 a.m. The next meeting is scheduled for Thursday, March 9, 2000.

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