

State of Kansas
Senate Vice President

DISTRICT OFFICE:
113 S. 8TH ST.
P.O. BOX 1211
INDEPENDENCE, KANSAS 67301
(620) 714-1881

ROOM 341-E, STATE CAPITOL
TOPEKA, KANSAS 66612
(785) 296-7361
E-Mail: jeff.king@senate.ks.gov



JEFF KING
SENATOR, FIFTEENTH DISTRICT

DATE: March 14, 2013
TO: Senate Taxation Committee
FROM: Senator Jeff King, 15th District
SUBJECT: SB 222

SB222 is a technical correction to a bill passed in the 2010 session. In that session, the Kansas Legislature unanimously passed SB312. That bill assists local governments who lose large property tax disputes by providing extra time for them to repay these disputed taxes.

Specifically, it authorizes local governments that lose a single property tax dispute whose value exceeds five percent of the total countywide tax base to request a 4-year loan from the Pooled Money Investment Board to help repay such tax refunds. The loans would be repaid at the same interest rate earned by PMIB. That allows taxpayers to promptly receive these refunds, while allowing local governments four years for repayment.

Unfortunately, the program in its current form does not allow local governments other than counties to directly request this assistance. Thus, entities like community colleges and school districts that have limits on the amount of their reserves cannot access these short-term loans without county approval. Without this change, these local governments would be forced to raise taxes substantially in order to repay these substantial sums in one year.

To allow the original bill to work as intended, I urge the committee to pass SB222 and allow all local governments to protect their taxpayers from sharp property tax hikes due to litigation over property valuation.

SN Assmnt & Tax

3/14/13

Attachm't # 1