

MINUTES OF THE HOUSE TAXATION COMMITTEE.

The meeting was called to order by Chairperson John Edmonds at 9:00 a.m. on January 14, 2003 in Room 519-S of the Capitol.

All members were present except: Rep. Nancy Kirk
Rep. Vaughn Flora
Rep. Tom Sawyer

Committee staff present: Chris Courtwright - Legislative Research Department
April Holman - Legislative Research Department
Gordon Self - Office of the Revisor
Carol Doel - Committee Secretary

Conferees appearing before the committee: Chris Courtwright - Legislative Department

Others attending: See attached list

Chairperson Edmonds opened the meeting with a welcome to all members of the committee and introduction of the Taxation Committee Rules. (Attachment 1)

Next to be presented to the committee by Chairperson Edmonds was the announcement that the floor was open for consideration of introduction of any bill pertaining to taxation.

Representative Powers introduced a bill regarding round-up sales tax patterned after a similar tax in Ohio and Maryland. There were no objections from the committee.

Chairperson Edmonds requested the introduction of several bills with the first dealing with the corporate franchise fee with a provision to remove the cap from the corporate franchise fee. A separate bill in a similar vein would be to remove the cap while simultaneously reducing the rate by half. There were no objections.

Chairperson Edmonds continued with the information that the interim committee this summer looked at the sales tax base. We have a sales tax in Kansas that exempts a number of services. It was the opinion of the interim committee that the appropriateness of those exemptions and exclusions should be reviewed. Consequently he asked for the introduction of a number of bills dealing with sales tax exemptions. This amounted to approximately six-five bills. There were no objections.

Representative Sharp requested the introduction of a bill decoupling from the Feds as many surrounding states have done. This would refer to income tax. There were no committee objections.

Also introduced by Representative Larkin was a bill regarding income tax credits. No objection were heard from the committee.

CONTINUATION SHEET

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Introduced by Chairperson Edmonds was Chris Courtwright from the Legislative Research Department who provided each member with a copy of Kansas Tax Facts 2002 Supplement to the Seventh Division as well as delivering verbal information regarding this supplement. (Attachment 2)

Mr. Courtwright also submitted for committee review a report from the US Census Bureau with regions and divisions with state FIPS codes. (Attachment 3)

Following the presentation by Mr. Courtwright, Chairperson Edmonds opened the floor for a questions from the committee.

With no further business, Chairperson Edmonds announced the next meeting would be on Thursday, January 16th with a presentation by Joan Wagnon, Acting Secretary of the Department of Revenue.

Meeting adjourned at 10:35 a.m.