

KANSAS OFFICE of
REVISOR of STATUTES

LEGISLATURE of THE STATE of KANSAS
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MEMORANDUM

To: Senate Committee on Assessment and Taxation
From: Office of Revisor of Statutes
Date: March 20, 2024
Subject: Senate Bill No. 536

Summary

Senate Bill No. 536 would require political subdivisions to adopt a budget that remains at or below revenue neutral and use funds to reduce property tax in order to receive local ad valorem tax reduction fund (LAVTRF) distributions.

The bill would provide that only political subdivisions that adopt and certify a budget that shows a total amount of ad valorem tax to be levied in an amount that is equal to or less than the total amount of ad valorem tax levied for the preceding tax year would receive a LAVTRF distribution. This revenue neutral determination would be made before crediting as income the estimated amount of the distribution. When a political subdivision complies with the provisions of the act and would be entitled to participate, the property tax levy would be calculated based on the certified total amount of ad valorem tax to be levied reduced by the estimated amount of the distribution from the LAVTRF.

Any amounts not distributed by the county treasurer because some political subdivisions did not participate would be returned to the state treasurer and credited to the state general fund.

The bill would take effect from and after its publication in the statute book.