

CORRECTED
SESSION OF 2012

**SUPPLEMENTAL NOTE ON SUBSTITUTE FOR HOUSE
BILL NO. 2382**

As Recommended by Senate Committee on
Ways and Means

Brief*

Sub. for HB 2382 would extend the sunset date for Sales Tax and Revenue (STAR) Bonds from July 1, 2012, to July 1, 2017. The bill would also extend the sunset date for the maximum stated rate of interest which may be fixed on fixed-rate or variable-rate bonds issued by a municipality or taxing subdivision of Kansas from July 1, 2012, to July 1, 2017. Under existing law, the specified maximum stated interest rate is to be determined on the day the bonds are sold and shall not exceed the daily yield for the ten-year treasury bonds published by the Bond Buyer in New York, New York, plus 6.0 percent (if the interest on the bonds is excluded from gross income for federal tax purposes) and 7.0 percent (if interest is included).

Background

The bill had one proponent, a representative from the Kansas Department of Commerce, who testified in favor of the bill.

The original HB 2382 was the 2011 capital improvements appropriations bill.

The fiscal note indicates that the extension of the sunset date would have no fiscal effect and the Department of Commerce could continue to administer the program within existing resources.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>