

As Amended by House Committee

Session of 2004

HOUSE BILL No. 2893

By Committee on Taxation

2-17

10 AN ACT concerning taxation; relating to reports to the legislature by  
11 secretary of revenue.

12

13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. (a) Before each regular session of the legislature, the sec-  
15 retary of revenue shall report to the legislature and the governor on the  
16 effect, if it is possible to assess, of exemptions, credits, discounts, exclu-  
17 sions, special valuations, special accounting treatments, special rates and  
18 special methods of reporting relating to:

- 19 (1) State and local sales, excise and use taxes;  
20 (2) individual and corporation income, privilege and premium taxes;  
21 (3) franchise taxes;  
22 (4) mandatory school district general fund levy and ad valorem prop-  
23 erty taxes for financing local option budgets of school districts; and  
24 (5) all other taxes generating more than 5% of state tax revenue in  
25 the prior fiscal year.

26 (b) The report shall include an analysis of each special provision that  
27 reduces the amount of tax payable, to include an estimate of the loss of  
28 revenue for a ~~six-year~~ **three-year** period including the current fiscal year  
29 and a citation of the statutory or legal authority for the provision.

30 **Sec. 2. (a) The secretary of revenue shall report to the legis-**  
31 **lature by March 1 of each odd-numbered year on the overall in-**  
32 **cidence of the income taxes, sales, use and excise taxes, and prop-**  
33 **erty taxes. The report shall present information on the distribution**  
34 **of the tax burden: (1) For the overall income distribution, using a**  
35 **systemwide incidence measure such as the suits index or other ap-**  
36 **propriate measures of equality and inequality; (2) by income clas-**  
37 **ses, including at a minimum deciles of the income distribution; and**  
38 **(3) by other appropriate taxpayer characteristics.**

39 (b) **The incidence analyses shall use the broadest measure of**  
40 **economic income for which reliable data is available.**

41 ~~Sec. 3.~~ This act shall take effect and be in force from and after its  
42 publication in the statute book.