

SESSION OF 2005

SUPPLEMENTAL NOTE ON SENATE BILL NO. 192

As Amended by House Committee on Taxation

Brief*

SB 192, as amended, would provide a property tax exemption retroactive to tax year 2002 for all personal property actually and regularly used predominantly to collect, refine, or treat landfill gas; all such property used to transport the gas from a landfill to a transmission pipeline; and the gas itself.

Background

Proponents, who included Las Animas Landfill Gas and the Kansas Sierra Club, pointed to the environmental benefits of a landfill gas project currently operating in Johnson County which captures methane and other gases before converting them on site to a product which is subsequently transported to a natural gas pipeline. Las Animas also said that Johnson County has attempted to place certain property associated with the landfill gas project on the tax rolls retroactive to tax year 2002.

The Senate Committee amended the bill after discussion with the proponents to more narrowly reflect their intent that the proposed exemption only be applicable to certain personal property involved with landfill gas operations. The original bill would have expanded an existing exemption for certain property associated with renewable energy resources and technologies.

The House Committee amended the bill at the suggestion of Las Animas to clarify that the gas is not "produced" but instead is collected, refined, and treated.

*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>

A fiscal note indicated that the impact to the state, which would be attributable to less revenue from the 21.5 mills in state property tax levies, is unknown.