

REVISED
SESSION OF 2006

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2972

As Recommended by House Committee on
Taxation

Brief*

HB 2972 would expand the food sales tax rebate program by increasing the rebate amounts for each member of eligible households. The rebate amounts for tax year 2006 for members from households with income from \$13,801 to \$27,600 would be increased from \$36 to \$39; and from \$72 to \$84 for members from households with income from \$0 to \$13,800. Beginning in tax year 2007, the rebate amounts would be indexed for inflation and would be subject to additional increases.

Background

Proponents included Rep. Nancy Kirk, the Kansas Catholic Conference, Kansas Action for Children, and the AARP.

A fiscal note provided by the Department of Revenue indicated that the bill would be expected to reduce income tax receipts by \$4.2 million in FY 2007; \$5.6 million in FY 2008; and \$7.0 million in FY 2009. (Food sales tax rebates are claimed as income tax credits.)

The Department of Revenue on March 28 asked that a fiscal note associated with the bill be extended to include FY 2008 and FY 2009.

The Committee recommended that the bill be placed on the Consent Calendar.

*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>