

## PRESS RELEASE

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# “ THE PECK PERSPECTIVE “

(From the Capitol)

As the second week of the 2023 Session concluded (Jan. 20<sup>th</sup>), the session is over 10% finished. Admittedly, to this point, there hasn't been much accomplished. However, the remaining 90% of the session will see many things accomplished. Of course, determining if the word "accomplished" fits, can be highly subjective.

To this point, 201 bills, covering a wide variety of subjects, have been introduced (76 Senate and 125 House) that have been assigned to a committee. Additional bills have been requested and are being written, but they have not made it to the point of receiving a bill number. I have introduced three bills, SB 29, SB 58 and SB 76, and am working on the language of four additional ones. In this writing, I will cover the content of the three I've introduced.

Before I get to those, I want to briefly back up to legislation passed in 2022.

In 2022, I was pleased to work with legislators from both chambers to provide real property tax savings for Kansans – some more than others. One savings doubles the exemption, as it relates to the 20 mill obligation for K-12 education, from the first \$20,000 of valuation to \$40,000; with a built-in formula that will annually increase the exemption. Our Legislative Research Department said last week that the exemption is currently projected to go up by about \$1,600 (to \$41,600) this year. This increased exemption does not affect the amount of taxpayer money going to K-12 education – the money comes from another source.

Another property tax savings is to "freeze" the property taxes for low-income seniors and disabled veterans. Since there are constitutional restrictions, as it relates to assessing different rates for property in Kansas, the relief is in the form of a rebate administered by the Kansas Department of Revenue (KDOR). To qualify for the rebate/freeze, the household income must be below \$50,000, the homeowner must be at least 65 yrs. or a disabled veteran with at least a 50% disability and the home must be valued no more than \$350,000. Property taxes are still paid to the county and then the homeowner applies to KDOR for a refund equal to the difference between their 2021 taxes and their current taxes.

The refund form, K-40SVR, is on KDOR's website, [ksrevenue.gov](https://www.ksrevenue.gov) and can be found at: <https://www.ksrevenue.gov/pdf/k-40svr.pdf>.

Now, the legislation I've introduced. One was mentioned last week, **SB 29**, to provide Kansas with a back-to-school sales tax holiday. I testified on the bill last

week and found broad support. I expect the Tax Committee to work the bill in the not-too-distant future.

The next bill, **SB 58**, is a simple 2-page bill and is similar to a bill I introduced in 2020 to provide a sales tax exemption for disabled military veterans. However, passage of SB 58 will provide greater tax savings than the 2020 legislation.

Although I say the bill is simple, providing a sales tax exemption for disabled veterans, when the wording includes all the "legalese", it can be a little difficult to follow. I'm including the meat of the language so you can see what legislators get to read when determining to support or oppose legislation. Section 1 reads: *"On and after January 1, 2024, notwithstanding any provision of law to the contrary, all sales of tangible personal property or services, except sales of motor vehicles, to persons who are residents of this state and have been honorably discharged from active service in any branch of the armed forces of the United States and who are certified by the United States department of veterans affairs or its successor to be in receipt of disability compensation at the 100% rate, provided that the disability is permanent and was sustained through military action or accident or resulted from disease contracted while in such active service, shall be exempt from the tax imposed by the Kansas retailers' sales tax act. Sales of items or services for the benefit of the eligible person, as provided by this section, that are purchased on behalf of such eligible person by a spouse or by a member of the household in which the eligible person resides and who is authorized to make purchases on the eligible person's behalf shall also be exempt for purposes of this section. The surviving spouse of an eligible person who was receiving an exemption pursuant to this section at the time of such person's death shall be eligible to continue to receive such exemption until the surviving spouse remarries."*

As you can see, purchases can be made on behalf of a disabled vet and the widow of a disabled vet who was receiving the exemption continues until they remarry.

There are House bills, HB 2011, HB 2036 and HB 2039, that would also provide tax savings to disabled veterans. I hope the House approves these bills, so the Senate gets an opportunity to weigh in on them.

The third bill I've introduced, **SB 76**, will provide a level playing field for Kansas insurance agents. If passed, SB 76, will allow veteran agents, based on "career points" totaling 85 (age plus years of continuous licensure), to join agents in other states with an exemption to the requirement to take continuing education courses (CEC). If CEC were of any value, most agents would not mind taking them and I would not have introduced SB 76. The CEC require no testing, and an agent can take any "qualified" course, even if they're not licensed to sell produces that are the subject of the course. Since taking CEC does not benefit an agent and it provides no protections for policyholders, many agents agree there should be an exemption for veteran agents.

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