

February 22, 2016

The Honorable Marvin Kleeb, Chairperson
House Committee on Taxation
Statehouse, Room 185-N
Topeka, Kansas 66612

Dear Representative Kleeb:

SUBJECT: Fiscal Note for HB 2590 by House Committee on Education

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2590 is respectfully submitted to your committee.

HB 2590 would create an individual income tax checkoff program for the benefit of school districts. Taxpayers would have the option of adding a donation on their Kansas individual income tax form to the Local School District Contribution Program Check-off Fund in the amount of \$1, \$5, \$10, or any other amount. All monies collected would be used solely for the purpose of financing education in the unified school district of the taxpayer's choice.

Estimated State Fiscal Effect				
	FY 2016 SGF	FY 2016 All Funds	FY 2017 SGF	FY 2017 All Funds
Revenue	--	--	--	--
Expenditure	--	--	\$63,200	\$63,200
FTE Pos.	--	--	--	--

The Department of Revenue indicates HB 2590 would have no fiscal effect on State General Fund revenues. The Department of Revenue and the Department of Education are unable to estimate the amount of revenue that would be generated as a result of this new checkoff program. The Department of Education indicates that any additional monies received from this new checkoff program would be used for financing education and could be administered within existing staff levels.

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The Department of Revenue indicates that the bill would require \$63,200 from the State General Fund in FY 2017 to implement the bill and to modify the automated tax system. The required programming for this bill by itself would be performed by existing staff of the Department of Revenue. However, if the combined effect of implementing this bill and other enacted legislation exceeds the Department's programming resources, or if the time for implementing the changes is too short, expenditures for outside contract programmer services beyond the Department's current budget may be required. Any fiscal effect associated with HB 2590 is not reflected in *The FY 2017 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget

cc: Jack Smith, Department of Revenue
Dale Dennis, Education