

Kansas Department of Revenue
Office of Policy and Research
109 SW 9th St.
Topeka, KS 66601-3506
Mark Burghart, Secretary



Phone: 785-296-6093
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www.ksrevenue.gov

Laura Kelly, Governor

Notice of Hearing on Proposed Administrative Regulations

A public hearing will be conducted by the Department of Revenue on Wednesday, December 13, 2023, at 9:00 a.m., in the Secretary's Conference Room on the fourth floor of the Mills Building, 109 SW 9th St., Topeka, KS 66612, regarding the proposed amendment of K.A.R. 92-22-17 and the proposed revocation of K.A.R. 92-22-14, 92-22-23, and 92-22-32. These are regulations supporting the Kansas Homestead Property Tax Refund program.

K.A.R. 92-22-17. Exercise of right to file claim on behalf of claimant. The Department proposes amending this regulation, simplifying it to match current statutory requirements and Department practice for accepting Homestead refund claims filed under a power of attorney.

K.A.R. 92-22-14. Rent constituting property taxes accrued; services. | 92-22-23. Computation of amount of claim; rental and ownership of a homestead during the same calendar year. | 92-22-32. Homestead; charges for services, furniture, personal property, etc. When these regulations were adopted, both homeowners and renters were eligible to receive Homestead refunds. These regulations address issues specific to renters. Because renters are no longer eligible for Homestead refunds, the Department proposes revoking these regulations.

The Department of Revenue does not anticipate any significant economic or environmental impact on governmental agencies or units or the general public because of the changes to these regulations. Copies of the proposed regulations and the Economic Impact Statements may be found online at <https://www.ksrevenue.gov/prproposedregulations.html>, or by contacting Taylor Murray at taylor.murray@ks.gov.

This 60-day notice of the public hearing shall constitute a public comment period for the purpose of receiving written comments from the public on the proposed regulations. All interested parties may submit written public comments prior to the hearing to Taylor Murray, Office of Policy and Research, Mills Building, 109 SW 9th St., Topeka, Kansas 66601-3506 or via e-mail at taylor.murray@ks.gov. Additionally, interested parties wanting to participate remotely may contact Taylor Murray at taylor.murray@ks.gov to obtain remote access information.

All interested parties will be given a reasonable opportunity to present their views, either orally or in writing or both, concerning the proposed regulations. In order to give all parties an opportunity to present their views, it may be necessary to request that each participant limit any oral presentation to five minutes.

Any individual with a disability may request accommodation in order to participate in the public hearing and may request the proposed regulations and economic impact statements in an

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accessible format. Requests for accommodation to participate in the hearing should be made at least five working days in advance of the hearing by contacting Taylor Murray at (785) 296-6093 or via email at taylor.murray@ks.gov. Individuals with hearing and/or speech disabilities may contact the Kansas Relay Center at 1-800-766-3777 for communication accommodations. Disabled parking is located on the north side of the Mills Building on either side of 9th Street. The north entrance to the Mills Building is accessible.

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92-22-14. (Authorized by K.S.A. 79-4510; implementing K.S.A. 79-4502; effective,
E-77-6, March 19, 1976; effective Feb. 15, 1977; amended May 1, 1986; revoked
P-_____.)

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92-22-17. Exercise of right to file claim on behalf of claimant. Each individual filing a claim as a legal guardian or conservator shall attach an attested copy of the court order granting the power under which the claim is filed. ~~An Each individual filing a claim as an attorney-in-fact shall attach a written document stating that an attorney-client relationship in fact exists. A claim for refund allegedly filed pursuant to the authority of a power of attorney shall not be allowed unless a copy of the duly executed and recorded power of attorney is attached to the claim. In lieu of a duly executed and recorded limited power of attorney, an individual may file a claim on behalf of the claimant if the person completes and submits to the director of taxation an affidavit in support of demand for homestead property tax refund on a form prescribed by the director.~~ (Authorized by K.S.A. 79-4510; implementing K.S.A. 79-4503; effective, E-77-6, March 19, 1976; effective Feb. 15, 1977; amended, E-80-2, Jan. 18, 1979; amended May 1, 1979; amended May 1, 1986; amended P-_____.)

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92-22-23. (Authorized by K.S.A. 79-4510; implementing K.S.A. 79-4508; effective,
E-77-6, March 19, 1976; effective Feb. 15, 1977; amended April 19, 2002; revoked
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92-22-32. (Authorized by K.S.A. 1976 Supp. 79-4510; effective Feb. 15, 1977; revoked

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Kansas Administrative Regulations Economic Impact Statement (EIS)

Kansas Department of Revenue

Agency

Taylor Murray

Agency Contact

785-296-6093

Contact Phone Number

92-22-14, 92-22-23, 92-22-32

K.A.R. Number(s)

☒ Permanent ☐ Temporary

Is/Are the proposed rule(s) and regulation(s) mandated by the federal government as a requirement for participating in or implementing a federally subsidized or assisted program?

☐ Yes If yes, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration and the Attorney General. Budget approval is not required; however, the Division of the Budget will require submission of a copy of the EIS at the end of the review process.

☒ No If no, do the total annual implementation and compliance costs for the proposed rule(s) and regulation(s), calculated from the effective date of the rule(s) and regulation(s), exceed \$1.0 million over any two-year period through June 30, 2024, or exceed \$3.0 million over any two-year period on or after July 1, 2024 (as calculated in Section III, F)?

☐ Yes If yes, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration, the Attorney General, AND the Division of the Budget. The regulation(s) and the EIS will require Budget approval.

☒ No If no, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration and the Attorney General. Budget approval is not required; however, the Division of the Budget will require submission of a copy of the EIS at the end of the review process.

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Section I

Brief description of the proposed rule(s) and regulation(s).

2012 S. Sub. for HB 2117 amended sections of the homestead property tax refund statutes (K.S.A. 79-4501 to 79-4531) to limit the homestead refund to homeowners and exclude renters, effective January 1, 2013.

K.A.R. 92-22-14 and 92-22-32 interpret the definition of "gross rent," a term that is no longer used or defined in the homestead refund statutes. K.A.R. 92-22-23 addresses how to compute a claim amount when a claimant occupies a rented dwelling for a portion of the year and owns and occupies the dwelling for the remainder of the year. However, since 2013, a claimant must own and occupy the dwelling for the entire year to qualify for a refund. K.S.A. 79-4502.

Section II

Statement by the agency if the rule(s) and regulation(s) exceed the requirements of applicable federal law, and a statement if the approach chosen to address the policy issue(s) is different from that utilized by agencies of contiguous states or the federal government. *(If the approach is different or exceeds federal law, then include a statement of why the proposed Kansas rule and regulation is different.)*

These regulations are not mandated by federal law.

Section III

Agency analysis specifically addressing the following:

- A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;
No effect on business activities and growth based on this revocation.
- B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule(s) and regulation(s) and on the state economy as a whole;
No economic effect based on this revocation.
- C. Businesses that would be directly affected by the proposed rule(s) and regulation(s);
None.
- D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;
N/A

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- E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;

N/A

- F. An estimate of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to businesses, local governments, or members of the public.

Note: Do not account for any actual or estimated cost savings that may be realized.

Costs to Affected Businesses – \$0.00

Costs to Local Governmental Units – \$0.00

Costs to Members of the Public – \$0.00

Total Annual Costs – \$0.00

(sum of above amounts)

Give a detailed statement of the data and methodology used in estimating the above cost estimate.

These regulations are not enforced because the statutory provisions they supported no longer apply. As such, revoking these regulations has no anticipated economic effect.

- ☐ Yes If the total implementation and compliance costs exceed \$1.0 million over any two-year period through June 30, 2024, or exceed \$3.0 million over any two-year period on or after July 1, 2024, and prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.
- ☐ No
- ☒ Not Applicable

N/A

Provide an estimate to any changes in aggregate state revenues and expenditures for the implementation of the proposed rule(s) and regulation(s), for both the current fiscal year and next fiscal year.

N/A

Provide an estimate of any immediate or long-range economic impact of the proposed rule(s) and regulation(s) on any individual(s), small employers, and the general public. If no dollar estimate can be given for any individual(s), small employers, and the general public, give specific reasons why no estimate is possible.

\$0.00

- G. If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will

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increase expenditures or fiscal liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.

N/A

- H. Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).

N/A

Section IV

Does the Economic Impact Statement involve any environmental rule(s) and regulation(s)?

- ☐ Yes If yes, complete the remainder of Section IV.
☒ No If no, skip the remainder of Section IV.

- A. Describe the capital and annual costs of compliance with the proposed rule(s) and regulation(s), and the persons who would bear the costs.

N/A

- B. Describe the initial and annual costs of implementing and enforcing the proposed rule(s) and regulation(s), including the estimated amount of paperwork, and the state agencies, other governmental agencies, or other persons who would bear the costs.

N/A

- C. Describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons who would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).

N/A

- D. Provide a detailed statement of the data and methodology used in estimating the costs used.

N/A

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Kansas Administrative Regulations Economic Impact Statement (EIS)

Kansas Department of Revenue
Agency

Taylor Murray
Agency Contact

785-296-6093
Contact Phone Number

92-22-17

K.A.R. Number(s)

☒ Permanent ☐ Temporary

Is/Are the proposed rule(s) and regulation(s) mandated by the federal government as a requirement for participating in or implementing a federally subsidized or assisted program?

- ☐ Yes If yes, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration and the Attorney General. Budget approval is not required; however, the Division of the Budget will require submission of a copy of the EIS at the end of the review process.
- ☒ No If no, do the total annual implementation and compliance costs for the proposed rule(s) and regulation(s), calculated from the effective date of the rule(s) and regulation(s), exceed \$1.0 million over any two-year period through June 30, 2024, or exceed \$3.0 million over any two-year period on or after July 1, 2024 (as calculated in Section III, F)?
- ☐ Yes If yes, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration, the Attorney General, AND the Division of the Budget. The regulation(s) and the EIS will require Budget approval.
- ☒ No If no, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration and the Attorney General. Budget approval is not required; however, the Division of the Budget will require submission of a copy of the EIS at the end of the review process.

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Section I

Brief description of the proposed rule(s) and regulation(s).

K.S.A. 79-4503, in part, permits a person's attorney-in-fact to exercise that person's right to file a claim for a Homestead Refund. K.A.R. 92-22-17 sets out the documentation an attorney-in-fact must attach to a claim to show the required relationship exists. K.A.R. 92-22-17 requires a power of attorney be recorded in the public records before the Department of Revenue will accept it as proof of the required relationship. This requirement is not necessary to administer the statute, and the Department proposes amending the regulation to remove it. K.A.R. 92-22-17 also permits an attorney-in-fact to submit a form in lieu of using a recorded, limited power of attorney. The Department proposes amending the regulation to eliminate the use of this form as, without the recording requirement, it is not necessary for a claimant to provide an extra form.

Section II

Statement by the agency if the rule(s) and regulation(s) exceed the requirements of applicable federal law, and a statement if the approach chosen to address the policy issue(s) is different from that utilized by agencies of contiguous states or the federal government. *(If the approach is different or exceeds federal law, then include a statement of why the proposed Kansas rule and regulation is different.)*

These regulations are not mandated by federal law.

Section III

Agency analysis specifically addressing the following:

- A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;
No effect on business activities and growth based on this revocation.
- B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule(s) and regulation(s) and on the state economy as a whole;
No economic effect based on this revocation.
- C. Businesses that would be directly affected by the proposed rule(s) and regulation(s);
None.
- D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;
N/A

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Revised 05/03/2022

- E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;

N/A

- F. An estimate of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to businesses, local governments, or members of the public.

Note: Do not account for any actual or estimated cost savings that may be realized.

Costs to Affected Businesses – \$0.00

Costs to Local Governmental Units – \$0.00

Costs to Members of the Public – \$0.00

Total Annual Costs – \$0.00

(sum of above amounts)

Give a detailed statement of the data and methodology used in estimating the above cost estimate.

Amending this regulation imposes no additional costs on any party, because the proposed amendment removes a restriction on the type of power of attorney the Department may accept for purposes of K.S.A. 79-4503.

- ☐ Yes If the total implementation and compliance costs exceed \$1.0 million over any two-year period through June 30, 2024, or exceed \$3.0 million over any two-year period on or after July 1, 2024, and prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.
- ☐ No
- ☒ Not Applicable

N/A

Provide an estimate to any changes in aggregate state revenues and expenditures for the implementation of the proposed rule(s) and regulation(s), for both the current fiscal year and next fiscal year.

N/A

Provide an estimate of any immediate or long-range economic impact of the proposed rule(s) and regulation(s) on any individual(s), small employers, and the general public. If no dollar estimate can be given for any individual(s), small employers, and the general public, give specific reasons why no estimate is possible.

\$0.00

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- G. If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.

N/A

- H. Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).

N/A

Section IV

Does the Economic Impact Statement involve any environmental rule(s) and regulation(s)?

☐ Yes If yes, complete the remainder of Section IV.

☒ No If no, skip the remainder of Section IV.

- A. Describe the capital and annual costs of compliance with the proposed rule(s) and regulation(s), and the persons who would bear the costs.

N/A

- B. Describe the initial and annual costs of implementing and enforcing the proposed rule(s) and regulation(s), including the estimated amount of paperwork, and the state agencies, other governmental agencies, or other persons who would bear the costs.

N/A

- C. Describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons who would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).

N/A

- D. Provide a detailed statement of the data and methodology used in estimating the costs used.

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