

## CITY OF TOPEKA

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## **EXCERPT**

HOLLIDAY 1<sup>st</sup> FLOOR CONFERENCE ROOM, Topeka, Kansas, Thursday, June 1, 2023. The Policy & Finance Committee members met at 1:00 P.M., with the following Committee members present: Duncan (Chair), Valdivia-Alcalá, Naeger.

The following is an excerpt of the draft minutes from the meeting:

APPROVAL by the Committee to allow staff to draft a proposal to move before the Governing Body for consideration of a Property Tax Relief Program

## **Property Tax Relief Program**

Chairman Duncan stated this item was discussed some at the March meeting and had sent staff back to research on two methods. One was for a rebate/refund program and the other was to make it an exemption program without money ever having to exchange hands.

Chief Financial Officer Freddy Mawyin noted discussions had taken place between the City and County. The method that Chairman Duncan preferred will be met with several complications. However, the rebate option is still viable.

Chairman Duncan inquired if the qualifications for the rebate program would mirror the State's Homestead Program? CFO Mawyin confirmed. Chairman Duncan inquired about how often updates would need to be made, as the State program requires a date of birth. The question stemmed from whether there would be a mechanism in place to trigger an automatic update, or if it would be required to be approved by the Governing Body on an annual basis. City Attorney Amanda Stanley stated that they would evaluate options, noting the City has slightly different rules than the legislature because this option will be a cash basis, which brings unique challenges.

Chairman Duncan indicated that he realized the City could not simply eliminate property taxes, but he felt that anytime the City could offer relief to those folks who are of a certain age, or fall within a certain income bracket, it was a positive thing. And that perhaps the other taxing entities in the area would follow suit. He would like to move this forward, with how it would become a rebate program, and he would reach out to Shawnee County to see what collaboration opportunities may come of it.

City Manager Wade inquired if it would be Chairman Duncan's desire to assemble the 2024 Budget with the assumption that it will be passed by the Governing Body? Chairman Duncan affirmed this action.

Committee member Naeger inquired as to why Chairman Duncan felt the rebate program would work better than an exemption? Chairman Duncan answered that Shawnee County has a specific computer program that they use, and in simplified terms, they have to plug the numbers in and establish that they took in money before they can put it back out. This process is in opposition to clearing out the line item from the Mills that says the constituent did not pay their property tax. He stated the question to the County would be that this is not the simplest of changes to make and likely comes with a cost. He felt that if, it was cost associated, and if the cost was not a significant amount, that perhaps there would be an opportunity for the City to help with that.