



Grassroots Strength

The Kansas Association of REALTORS® (KAR) is the **state's largest professional trade association, representing over 9,000 members** involved in agricultural, commercial and residential real estate.

Economic Engine

REALTORS® are the dedicated **advocates for over 700,000 Kansas home owners and commercial property owners**. We serve a very important role in creating economic growth, growing jobs and stimulating the overall Kansas economy.

Partners In Policy

REALTORS® are dedicated to working with elected officials to create a better Kansas by supporting job growth and economic development, a high quality of life and affordable housing opportunities **while protecting the rights of private property owners**.



The Kansas REALTOR® Party is the voice of the Kansas Association of REALTORS®, represents more than 9,000 Kansas REALTORS® and advocates for state policies that strengthen the ability of all Kansas to own, buy and sell property.

2018 Priority Legislative Issues

Income Tax

Economic growth depends on a stable investment environment with a consistent tax code. Since 2012, the Kansas Legislature has passed a series of alterations to Kansas tax policy followed by a repeal of many of those measures in 2017. Throughout the turmoil, **Kansas lawmakers have preserved the ability of Kansans to claim the mortgage interest and property tax deductions on state income tax returns.**

In 2017, the Kansas Legislature rightly put both deductions on a path to full restoration by 2020, benefiting Kansas families, farmers and small business owners.

In 2018, the Kansas Legislature should not divert from full restoration by 2020, and, should consider moving up the effective date of restoration of the deductions.

Public Vote on Property Tax Increases

REALTORS® believe that real estate is burdened with an excessive share of the increasing cost of state and local government. We realize the importance of many programs funded through property tax revenues. We believe **tax revenues should be equitably collected from a variety of sources and encourage taxing jurisdictions to consider the negative impact to the housing market associated with increases in property tax rates.** REALTORS® support policies that give citizens a greater voice in the decisions impacting their tax burden. Therefore, **local government should put calls for increases in revenue to public vote.**

In 2015, the Legislature passed a law giving citizens the right to vote when cities and counties propose to increase property tax by more than the rate of inflation. In 2016, the Kansas Legislature passed a compromise bill that moved the effective date of the law up to 2017 and provided meaningful exemptions to the public vote requirement. Unfortunately, this right to vote was under repeated assault in 2017.

In 2018, the Kansas Legislature should do nothing to erode Kansans' ability to vote on property tax increases.

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The Kansas Association of REALTORS® advocates for property rights and empowers REALTORS® to achieve success.

Sales Tax

REALTORS® believe that instituting a tax on economic activity is equivalent to raising the price of the good or service, thus the demand for this good or service is reduced. **Applying a sales tax to real estate related services will increase the cost of purchasing a property to homeowners and businesses and increase the cost of business for real estate professionals.**

During the 2017 Session, proposals were discussed that would have repealed the sales tax exemption on construction labor for both new and existing homes; repealed the state sales tax exemption on residential utilities; and imposed sales tax on certain services, including the lease of warehouse and storage space. Removal of existing exemptions or implementation of new sales taxes would expose a significant number of Kansans to increased property ownership costs and introduce additional hardship to the Kansas economy.

In 2018, **the Kansas Legislature should not alter existing exemptions that are critical to the real estate industry or impose sales taxes on real estate related services and transactions.**

School Finance

REALTORS® realize the importance of quality public schools to the local real estate market. **The quality of education in our schools has proven to be a driving force in the growth or demise of our residential and business communities.** It is these communities, not merely the homes within them, which are bought and sold. **REALTORS® support responsible funding for public schools.**

We believe tax revenues dedicated to schools should be equitably collected from a variety of sources and encourage the consideration of the negative impact to the economy with an excessive increase in the state mandated mill levy or authorized local levy authority for school funding.

Any framework for local option budgets should consider oversight by local taxpayers with an affirmative vote of the local electorate.

Real Estate Licensing and Regulation

In conjunction with the vigilant enforcement of the REALTOR® Code of Ethics, REALTORS® are acutely aware of the importance and necessity of the continued licensure and regulation of the real estate industry by the Kansas Real Estate Commission (KREC). At all times, **REALTORS® strive to protect the interests of the public by maintaining and perpetuating a high level of competence for those individuals entering and continuing to practice in the real estate industry.**

Towards this end, we also recognize the importance of protecting the public by opposing legislation designed to circumvent the licensure and regulation of the real estate industry. Accordingly, **we support appropriate funding for KREC and favor reasonable pre- and post-licensing background and educational requirements to enhance the competency of the industry.**

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Income Tax

- ⇒ Do not divert from full restoration of the ability for Kansans to claim the mortgage interest and property tax deductions by 2020.
- ⇒ Consider moving up the effective date of restoration of the deductions.

Public Vote on Property Tax Increases

- ⇒ Local government should put calls for increases in revenue to public vote.
- ⇒ Do nothing to erode Kansans' ability to vote on property tax increases.

Sales Tax

- ⇒ Do not alter existing exemptions critical to the real estate industry or impose sales taxes on real estate related services and transactions.

School Finance

- ⇒ REALTORS® support responsible funding for public schools.
- ⇒ Tax revenues dedicated to schools should be equitably collected from a variety of sources.

Real Estate Licensing and Regulation

- ⇒ Appropriate funding for KREC and reasonable pre- and post-licensing education and background requirements to enhance the competency of the industry.



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