

HOUSE BILL No. 2702

By Committee on New Economy

1-24

AN ACT concerning property taxation; providing exemptions for certain property.

Be it enacted by the Legislature of the State of Kansas:

Section 1. The following described property, to the extent herein specified, shall be exempt from all property taxes levied under the laws of the state of Kansas:

(a) All oil refinery property.

(b) As used in this section, "oil refinery property" means property actually and regularly used in an operation by which the physical or chemical characteristics of crude oil are changed. "Oil refinery property" does not include operations such as passing crude oil through separators to remove gas, placing crude oil in settling tanks to recover basic sediment and water, dehydrating crude oil and blending of crude oil products.

(c) The provisions of this section shall apply only to oil refinery property:

(1) Construction of which is commenced after December 31, 2001, and for the five taxable years immediately following the taxable year in which such property is first used in refining oil; and

(2) repair or renovation of which in an amount equal to not less than 50% of the appraised value of the property before repair or renovation is commenced after December 31, 2001, and for the five taxable years immediately following the taxable year in which such repaired or renovated property is first used in refining oil.

(d) The board of county commissioners of any county or the governing body of any city may exempt oil refinery property from ad valorem taxation pursuant to section 13 of article 11 of the Kansas Constitution for an additional five years beyond the period of exemption provided by this section.

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.