

House Concurrent Resolution No. 5026

By Representatives Glasscock, Aday, Ballou, Beggs, Compton, Cook, Dahl, DeCastro, Edmonds, Gordon, Hermes, Horst, Howell, Huebert, Huff, Humerickhouse, Hutchins, Huy, Johnson, Landwehr, Lightner, Lloyd, P. Long, Mason, Mayans, Mays, McCreary, McLeland, Merrick, Judy Morrison, Myers, Novascone, O'Neal, Osborne, Palmer, Patterson, Pottorff, T. Powell, Shultz, Tanner, Toplikar, Vickrey, Weber, Wilk and D. Williams

3-16

A PROPOSITION to amend section 1 of article 11 of the constitution of the state of Kansas.

Be it resolved by the Legislature of the State of Kansas, two-thirds of the members elected (or appointed) and qualified to the House of Representatives and two-thirds of the members elected (or appointed) and qualified to the Senate concurring therein: Section 1. The following proposition to amend the constitution of the state of Kansas shall be submitted to the qualified electors of the state for their approval or rejection: Section 1 of article 11 of the constitution of the state of Kansas is hereby amended to read as follows:

“§ 1. System of taxation; classification; exemption(a) The provisions of this subsection shall govern the assessment and taxation of property on and after January 1, 1993, and each year thereafter. Except as otherwise hereinafter specifically provided, the legislature shall provide for a uniform and equal basis of valuation and rate of taxation of all property subject to taxation. *The legislature may provide by law for limitations upon the increase from one taxable period to the next such period of the appraised valuation of all or any subclass of real property.* The legislature may provide for the classification and the taxation uniformly as to class of recreational vehicles, as defined by the legislature, or may exempt such class from property taxation and impose taxes upon another basis in lieu thereof. The provisions of this subsection shall not be applicable to the taxation of motor vehicles, except as otherwise hereinafter specifically provided, mineral products, money, mortgages, notes and other evidence of debt and grain. Property shall be classified into the following classes for the purpose of assessment and assessed at the percentage of value prescribed therefor:

1 Class 1 shall consist of real property. Real property shall be fur-
2 ther classified into seven subclasses. Such property shall be defined
3 by law for the purpose of subclassification and assessed uniformly
4 as to subclass at the following percentages of value:

- 5 (1) Real property used for residential purposes including multi-
6 family residential real property and real property necessary
7 to accommodate a residential community of mobile or man-
8 ufactured homes including the real property upon which
9 such homes are located 11 1/2%
- 10 (2) Land devoted to agricultural use which shall be valued upon
11 the basis of its agricultural income or agricultural productivity
12 pursuant to section 12 of article 11 of the constitution 30%
- 13 (3) Vacant lots 12%
- 14 (4) Real property which is owned and operated by a not-for-
15 profit organization not subject to federal income taxation
16 pursuant to section 501 of the federal internal revenue code,
17 and which is included in this subclass by law 12%
- 18 (5) Public utility real property, except railroad real property
19 which shall be assessed at the average rate that all other com-
20 mercial and industrial property is assessed 33%
- 21 (6) Real property used for commercial and industrial purposes
22 and buildings and other improvements located upon land de-
23 voted to agricultural use 25%
- 24 (7) All other urban and rural real property not otherwise specif-
25 ically subclassified 30%

26 Class 2 shall consist of tangible personal property. Such tangible
27 personal property shall be further classified into six subclasses, shall
28 be defined by law for the purpose of subclassification and assessed
29 uniformly as to subclass at the following percentages of value:

- 30 (1) Mobile homes used for residential purposes 11 1/2%
- 31 (2) Mineral leasehold interests except oil leasehold interests the
32 average daily production from which is five barrels or less,
33 and natural gas leasehold interests the average daily produc-
34 tion from which is 100 mcf or less, which shall be assessed
35 at 25% 30%
- 36 (3) Public utility tangible personal property including inventories
37 thereof, except railroad personal property including inven-
38 tories thereof, which shall be assessed at the average rate all
39 other commercial and industrial property is assessed 33%
- 40 (4) All categories of motor vehicles not defined and specifically
41 valued and taxed pursuant to law enacted prior to January 1,
42 1985 30%

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- 1 (5) Commercial and industrial machinery and equipment which,
- 2 if its economic life is seven years or more, shall be valued at
- 3 its retail cost when new less seven-year straight-line depre-
- 4 ciation, or which, if its economic life is less than seven years,
- 5 shall be valued at its retail cost when new less straight-line
- 6 depreciation over its economic life, except that, the value so
- 7 obtained for such property, notwithstanding its economic life
- 8 and as long as such property is being used, shall not be less
- 9 than 20% of the retail cost when new of such property. 25%
- 10 (6) All other tangible personal property not otherwise specifically
- 11 classified 30%

12 (b) All property used exclusively for state, county, municipal,
 13 literary, educational, scientific, religious, benevolent and charitable
 14 purposes, farm machinery and equipment, merchants' and manu-
 15 facturers' inventories, other than public utility inventories included
 16 in subclass (3) of class 2, livestock, and all household goods and
 17 personal effects not used for the production of income, shall be
 18 exempted from property taxation."

19 Sec. 2. The following statement shall be printed on the ballot with
 20 the amendment as a whole:

21 *"Explanatory statement.* This amendment would allow the leg-
 22 islature to provide limitations upon the increase of the appraised
 23 valuation of real property subject to taxation.

24 "A vote for this proposition would allow pursuant to enactment
 25 by the legislature the limiting of real estate appraised valuation in-
 26 creases from one tax period to another.

27 "A vote against this proposition would maintain the current sys-
 28 tem of property taxation."

29 Sec. 3. This resolution, if approved by two-thirds of the members
 30 elected (or appointed) and qualified to the House of Representatives, and
 31 two-thirds of the members elected (or appointed) and qualified to the
 32 Senate shall be entered on the journals, together with the yeas and nays.
 33 The secretary of state shall cause this resolution to be published as pro-
 34 vided by law and shall cause the proposed amendment to be submitted
 35 to the electors of the state at the general election to be held on November
 36 5, 2000.

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