

## House Concurrent Resolution No. 5045

By Representative Edmonds

2-13

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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:

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

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

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

- 26 (1) Mobile homes used for residential purposes ..... 11<sup>1</sup>/<sub>2</sub>%
- 27 (2) Mineral leasehold interests except oil leasehold interests the
- 28 average daily production from which is five barrels or less, and
- 29 natural gas leasehold interests the average daily production
- 30 from which is 100 mcf or less, which shall be assessed at
- 31 25% ..... 30%
- 32 (3) Public utility tangible personal property including inventories
- 33 thereof, except railroad personal property including invento-
- 34 ries thereof, which shall be assessed at the average rate all
- 35 other commercial and industrial property is assessed..... 33%
- 36 (4) All categories of motor vehicles not defined and specifically
- 37 valued and taxed pursuant to law enacted prior to January 1,
- 38 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 depreci-
- 4 ation, 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 legisla-

22 ture 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 by

25 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 system

28 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, 2002.

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