

House Concurrent Resolution No. 5042

By Committee on Taxation

3-11

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

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12 *Be it resolved by the Legislature of the State of Kansas, two-thirds of the*
13 *members elected (or appointed) and qualified to the House of Repre-*
14 *sentatives and two-thirds of the members elected (or appointed) and*
15 *qualified to the Senate concurring therein:*

16 Section 1. The following proposition to amend the constitution of the
17 state of Kansas shall be submitted to the qualified electors of the state
18 for their approval or rejection: Section 1 of article 11 of the constitution
19 of the state of Kansas is hereby amended to read as follows:

20 “§ 1. **System of taxation; classification; exemption** (a) The prop-
21 visions of this subsection shall govern the assessment and taxation of prop-
22 erty on and after January 1, ~~1993~~ 2005, and each year thereafter. Except
23 as otherwise hereinafter specifically provided, the legislature shall provide
24 for a uniform and equal basis of valuation and rate of taxation of all prop-
25 erty subject to taxation. *The legislature shall provide that the appraised*
26 *valuation of real property used for residential purposes shall be adjusted*
27 *to an amount equal to the average of the appraised valuation of such real*
28 *property when sold and the sales price of such real property when sold.*
29 The legislature may provide for the classification and the taxation uni-
30 formly as to class of recreational vehicles, as defined by the legislature,
31 or may exempt such class from property taxation and impose taxes upon
32 another basis in lieu thereof. The provisions of this subsection shall not
33 be applicable to the taxation of motor vehicles, except as otherwise here-
34 inafter specifically provided, mineral products, money, mortgages, notes
35 and other evidence of debt and grain. Property shall be classified into the
36 following classes for the purpose of assessment and assessed at the per-
37 centage of value prescribed therefor:

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

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- 1 (1) Real property used for residential purposes including multi-family residen-
2 tial real property and real property necessary to accommodate a residential
3 community of mobile or manufactured homes including the real property
4 upon which such homes are located 11½%
 - 5 (2) Land devoted to agricultural use which shall be valued upon the basis of
6 its agricultural income or agricultural productivity pursuant to section 12
7 of article 11 of the constitution 30%
 - 8 (3) Vacant lots 12%
 - 9 (4) Real property which is owned and operated by a not-for-profit organization
10 not subject to federal income taxation pursuant to section 501 of the federal
11 internal revenue code, and which is included in this subclass by law 12%
 - 12 (5) Public utility real property, except railroad real property which shall be
13 assessed at the average rate that all other commercial and industrial prop-
14 erty is assessed 33%
 - 15 (6) Real property used for commercial and industrial purposes and buildings
16 and other improvements located upon land devoted to agricultural use ... 25%
 - 17 (7) All other urban and rural real property not otherwise specifically subclass-
18 sified 30%
- 19 Class 2 shall consist of tangible personal property. Such tangible per-
20 sonal property shall be further classified into six subclasses, shall be de-
21 fined by law for the purpose of subclassification and assessed uniformly
22 as to subclass at the following percentages of value:
- 23 (1) Mobile homes used for residential purposes 11½%
 - 24 (2) Mineral leasehold interests except oil leasehold interests the average daily
25 production from which is five barrels or less, and natural gas leasehold
26 interests the average daily production from which is 100 mcf or less, which
27 shall be assessed at 25% 30%
 - 28 (3) Public utility tangible personal property including inventories thereof, ex-
29 cept railroad personal property including inventories thereof, which shall
30 be assessed at the average rate all other commercial and industrial property
31 is assessed 33%
 - 32 (4) All categories of motor vehicles not defined and specifically valued and
33 taxed pursuant to law enacted prior to January 1, 1985 30%
 - 34 (5) Commercial and industrial machinery and equipment which, if its economic
35 life is seven years or more, shall be valued at its retail cost when new less
36 seven-year straight-line depreciation, or which, if its economic life is less
37 than seven years, shall be valued at its retail cost when new less straight-
38 line depreciation over its economic life, except that, the value so obtained
39 for such property, notwithstanding its economic life and as long as such
40 property is being used, shall not be less than 20% of the retail cost when
41 new of such property 25%
 - 42 (6) All other tangible personal property not otherwise specifically classified .. 30%
- 43 (b) All property used exclusively for state, county, municipal, literary,

1 educational, scientific, religious, benevolent and charitable purposes,
2 farm machinery and equipment, merchants' and manufacturers' inven-
3 tories, other than public utility inventories included in subclass (3) of class
4 2, livestock, and all household goods and personal effects not used for
5 the production of income, shall be exempted from property taxation."

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

8 "*Explanatory statement.* This amendment would require the leg-
9 islature to provide that the appraised valuation of real property used
10 for residential purposes be adjusted to an amount equal to the av-
11 erage of the appraised value of such real property when sold and
12 the sales price of such real property when sold.

13 "A vote for this proposition would require the legislature to pro-
14 vide that the appraised valuation of real property used for residen-
15 tial purposes be adjusted to an amount equal to the average of the
16 appraised value of such real property when sold and the sales price
17 of such real property when sold.

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

20 Sec. 3. This resolution, if approved by two-thirds of the members
21 elected (or appointed) and qualified to the House of Representatives, and
22 two-thirds of the members elected (or appointed) and qualified to the
23 Senate shall be entered on the journals, together with the yeas and nays.
24 The secretary of state shall cause this resolution to be published as pro-
25 vided by law and shall cause the proposed amendment to be submitted
26 to the electors of the state at the general election to be held on November
27 2, 2004.