

House Concurrent Resolution No. 5005

By Committee on Taxation

1-17

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

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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 provisions
21 of this subsection shall govern the assessment and taxation of property on
22 and after January 1, 1993, and each year thereafter. Except as otherwise
23 hereinafter specifically provided, the legislature shall provide for a uni-
24 form and equal basis of valuation and rate of taxation of all property
25 subject to taxation. *The legislature shall provide by law to prohibit valu-*
26 *ation increases on real or personal property used for residential purposes*
27 *which is owned by and the principal place of residence of a Kansas resi-*
28 *dent who is 65 years of age or older as of January 1 of the tax year, and*
29 *the legislature may enact legislation as is necessary to administer this*
30 *provision.* The legislature may provide for the classification and the tax-
31 ation uniformly as to class of recreational vehicles, as defined by the leg-
32 islature, or may exempt such class from property taxation and impose
33 taxes upon another basis in lieu thereof. The provisions of this subsection
34 shall not be applicable to the taxation of motor vehicles, except as oth-
35 erwise hereinafter specifically provided, mineral products, money, mort-
36 gages, notes and other evidence of debt and grain. Property shall be clas-
37 sified into the following classes for the purpose of assessment and assessed
38 at the percentage of value prescribed therefor:

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

1	(1)	Real property used for residential purposes including multi-family residential real property and real property necessary to accommodate a residential community of mobile or manufactured homes including the real property upon which such homes are located	11 1/2%
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5	(2)	Land devoted to agricultural use which shall be valued upon the basis of its agricultural income or agricultural productivity pursuant to section 12 of article 11 of the constitution	30%
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8	(3)	Vacant lots	12%
9	(4)	Real property which is owned and operated by a not-for-profit organization not subject to federal income taxation pursuant to section 501 of the federal internal revenue code, and which is included in this subclass by law	12%
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12	(5)	Public utility real property, except railroad real property which shall be assessed at the average rate that all other commercial and industrial property is assessed	33%
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15	(6)	Real property used for commercial and industrial purposes and buildings and other improvements located upon land devoted to agricultural use ...	25%
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17	(7)	All other urban and rural real property not otherwise specifically subclassified	30%
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19 Class 2 shall consist of tangible personal property. Such tangible personal property shall be further classified into six subclasses, shall be defined by law for the purpose of subclassification and assessed uniformly as to subclass at the following percentages of value:

23	(1)	Mobile homes used for residential purposes	11 1/2%
24	(2)	Mineral leasehold interests except oil leasehold interests the average daily production from which is five barrels or less, and natural gas leasehold interests the average daily production from which is 100 mcf or less, which shall be assessed at 25%	30%
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28	(3)	Public utility tangible personal property including inventories thereof, except railroad personal property including inventories thereof, which shall be assessed at the average rate all other commercial and industrial property is assessed	33%
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32	(4)	All categories of motor vehicles not defined and specifically valued and taxed pursuant to law enacted prior to January 1, 1985	30%
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34	(5)	Commercial and industrial machinery and equipment which, if its economic life is seven years or more, shall be valued at its retail cost when new less seven-year straight-line depreciation, or which, if its economic life is less than seven years, shall be valued at its retail cost when new less straight-line depreciation over its economic life, except that, the value so obtained for such property, notwithstanding its economic life and as long as such property is being used, shall not be less than 20% of the retail cost when new of such property	25%
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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 legislature
9 to prohibit valuation increases of real or personal property used for
10 residential purposes which is owned by and the principal place of
11 residence of a Kansas resident who is 65 years of age or older.

12 "A vote for this proposition would require the legislature to prohibit
13 valuation increases of real or personal property used for residential
14 purposes which is owned by and the principal place of residence of
15 a Kansas resident who is 65 years of age or older. The amendment
16 would also allow the legislature to enact other legislation as necessary
17 to administer this provision.

18 "A vote against this proposition would maintain the current system of
19 property taxation which provides no such prohibition."

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 the first
27 Tuesday after the first Monday in November, 2008.