

MINUTES OF THE HOUSE COMMITTEE ON ASSESSMENT AND TAXATION.

The meeting was called to order by Representative Jim Braden at
Chairperson

9:00 a.m./~~p.m.~~ on February 27, 1984 in room 519S of the Capitol.

All members were present except: Representative Kent Ott who was excused.

Committee staff present:

Wayne Morris, Legislative Research Department
Tom Severn, Legislative Research Department
Don Hayward, Revisor of Statutes' Office
Nancy Wolff, Secretary to the Committee

Conferees appearing before the committee:

John Myers, Governor's representative
Chip Wheelan, Kansas Legislative Policy Group
John Keopke, Kansas Association of School Boards
Ernie Mosher, League of Kansas Municipalities
Dee Likes, Kansas Livestock Association

Hearings were held on House Concurrent Resolutions 5009 and 5083. Both Resolutions would provide for voters of Kansas to vote for a Constitutional Amendment to provide for classification of property in the state of Kansas.

Wayne Morris, of staff, gave some supplemental information with regard to classification of real property and made a brief comparison of both HCR 5009 and 5083. (Exhibits I and II)

John Myers, representing the Governor, testified as a proponent of the concept of classification. He stated that he did not appear as a proponent of any particular resolution but as a proponent of a constitutional amendment to enable classification of property. Mr. Myers, in response to a question, stated that Senate Bill 275, in its current form, would not create a shift in the tax burden.

Chip Wheelan, Kansas Legislative Policy Group, gave testimony in support of classification. He reviewed a resolution drafted by his organization that supports classification of property. (Exhibit III)

John Koepke, Kansas Association of School Boards, testified in support of classification. (Exhibit IV)

Ernie Mosher, League of Kansas Municipalities, testified in support of the concept of classification. He gave the committee members a copy of a portion of the 1983-1984 Statement of Municipal Policy of the League as it relates to classification. (Exhibit V)

Dee Likes, Kansas Livestock Association, testified in favor of HCR 5009 but would support an amendment to remove farm machinery and equipment from the Resolution. He stated that his association opposes HCR 5083 as written because it contains no livestock exemption. (Exhibit VI)

The meeting was adjourned.

DATE: _____

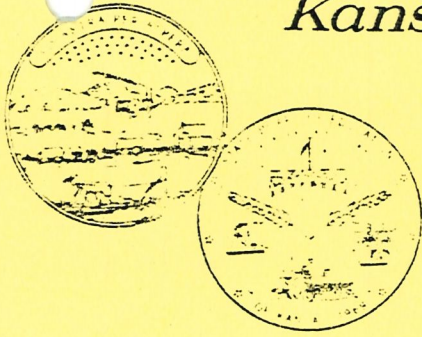
GUEST REGISTER
 HOUSE
 ASSESSMENT & TAXATION
 COMMITTEE

NAME	ORGANIZATION	ADDRESS
D Ferrell	Budget	Topeka
Marion	DOR	"
H Duncan	Dept of Treas	Topeka
Bill Curtis	KASB	Topeka
F. Mosher	Assoc of Mun.	"
John Yeager	KASB	Topeka
Ruth Weibin	S. S. - AAUP	Topeka
Roy D Shenkel	K.C.P.L.	Shawnee
Joe Dwigen	KCP L	K.C. Mo
D. WAYNE ZIMMERMAN	THE ELECTRIC COS ASSOC. OF KS	TOPEKA
Lee Laker	KLA	Topeka
Becky Cushman	Committee of Farm Orgs	"
Janet Stubbs	HBAK	"
Jim McBride	united way of Topeka	"
Gary Smith	Shawnee Co	Topeka
Fred Allen	KAC	Topeka
Della Wray Blythe	—	Manhattan
Chip Wheeler	KLPG	Topeka
John Blythe	Ks Farm Bureau	Manhattan
Dan Schunk	KIOPA	Topeka
Ron Gaches	KCCI	TOPEKA

Kansas State Department of Education

Kansas State Education Building

120 East 10th Street Topeka, Kansas 66612



February 8, 1984

TO: Representative Marvin Barkis

FROM: Division of Financial and Support Services
and Legislative Research Department

SUBJECT: Computer Printout Showing Effects of
Reappraisal and Classification

Attached are computer printouts from the 1983 property tax survey.

We have also included the assessment ratios for 1983, by county and subclassification, as well as the ratios you proposed.

COLUMN EXPLANATION

- Column 1 - 1983 Assessed valuation
- 2 - Percent of total of Column 1
- 3 - Estimated market values after reappraisal
- 4 - Percent of total of Column 3
- 5 - Estimated assessed valuation after reappraisal
(30 percent)
- 6 - Percent of total of Column 5
- 7 - Estimated assessed valuation using the
assessment ratios as listed on attached
- 8 - Percent of total of Column 7

EXHIBIT I

2/27/84

RATIOS OF ASSESSMENT

	<u>Assessment Ratio</u>
1. <u>RURAL REAL ESTATE</u>	
2. Agricultural (including agriculture investment and non-investment and mineral interests, non-severed and severed)	6%
3. Home Sites and Planned Subdivisions	8%
4. Spot Industrial, Commercial, and Recreational	12%
5. TOTAL RURAL REAL ESTATE	
6. <u>URBAN REAL ESTATE</u>	
7. Residential (including mineral interests, non-severed and severed)	8%
8. Multi-Family	12%
9. Commercial	12%
10. Industrial	12%
11. Vacant Lots	5%
12. TOTAL URBAN REAL ESTATE	
13. TOTAL REAL ESTATE	
14. <u>STATE ASSESSED</u>	
15. Railroads - Rural	22%
16. Railroads - Urban	22%
17. All Other - Rural	30%
18. All Other - Urban	30%
19. TOTAL STATE ASSESSED	
20. <u>OIL AND GAS PRODUCTION</u>	
21. Oil - Rural and Urban	30%

Assessment
Ratio

22.	Gas - Rural and Urban	30%
23.	TOTAL OIL AND GAS PRODUCTION	
24.	<u>RURAL PERSONAL PROPERTY OTHER THAN OIL AND GAS PRODUCTION</u>	
25.	Vehicles (including merchandising, manufacturing, service stations, propane-butane plants, refining and processing, and other business)	30%
26.	Machinery and Equipment (including merchandising, manufacturing, service stations, propane-butane plants, refining and processing, and other business)	30%
27.	Merchants Inventory (including non-bonded and bonded inventory for merchandising, other business, service stations, and propane-butane plants)	30%
28.	Manufacturers Inventory (including non-bonded and bonded inventory for manufacturing and refining and processing)	30%
29.	All Other Business (including professional business, contractors, organization, community TV, banks, trusts, insurance, and savings and loans)	30%
30.	Livestock	30%
31.	Miscellaneous	30%
32.	TOTAL RURAL PERSONAL PROPERTY OTHER THAN OIL AND GAS PRODUCTION	
33.	<u>URBAN PERSONAL PROPERTY OTHER THAN OIL AND GAS PRODUCTION</u>	
34.	Vehicles (including merchandising, manufacturing, service stations, propane-butane plants, refining and processing, and other business)	30%
35.	Machinery and Equipment (including merchandising, manufacturing, service stations, propane-butane plants, refining and processing, and other business)	30%
36.	Merchants Inventory (including non-bonded and bonded inventory for merchandising, other business, service stations, and propane-butane plants)	30%

Assessment
Ratio

37.	Manufacturers Inventory (including non-bonded and bonded inventory for manufacturing and refining and processing)	30%
38.	All Other Business (including professional business, contractors, organization, community TV, banks, trusts, insurance, and savings and loan)	30%
39.	Livestock	30%
40.	Miscellaneous	30%
41.	TOTAL URBAN PERSONAL PROPERTY OTHER THAN OIL AND GAS PRODUCTION	
42.	Farm Machinery	0%
43.	Business Aircraft	0%
44.	GRAND TOTAL	

ASSESSMENT RATIOS FOR 1983

County	Residential				Commercial			Agricultural		
	Single Family	Multi-Family	Condo	Vacant Lot	Commercial	Industrial	Vacant Lot	Improved w/Res.	Improved No/Res.	Unimproved
Allen										
Urban	9.61	52.00	0.00	3.50	12.08	0.00	0.00	0.00	0.00	0.00
Rural	9.20	0.00	0.00	4.75	3.29	0.00	4.30	6.70	2.97	4.95
Anderson										
Urban	9.27	0.00	0.00	4.00	13.90	0.00	0.00	10.65	0.00	0.00
Rural	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.71	8.39	5.83
Atchison										
Urban	10.09	22.30	0.00	10.00	21.39	0.00	25.75	0.00	0.00	0.00
Rural	11.16	0.00	0.00	2.66	4.11	0.00	0.00	6.57	23.66	3.24
Barber										
Urban	6.11	22.08	0.00	4.40	18.25	4.05	1.50	0.00	0.00	0.00
Rural	5.21	0.00	0.00	11.04	0.00	0.00	12.15	4.99	3.45	3.68
Barton										
Urban	7.44	7.03	7.88	3.54	7.92	0.00	4.19	0.00	0.00	13.69
Rural	10.07	0.00	0.00	4.00	8.86	0.00	5.60	8.07	4.60	2.81
Bourbon										
Urban	8.56	14.40	0.00	5.29	16.01	0.00	0.00	0.00	0.00	0.00
Rural	8.51	0.00	0.00	5.95	0.00	0.00	0.00	8.00	6.25	6.60
Brown										
Urban	12.52	36.88	0.00	10.26	20.06	9.68	18.75	0.00	0.00	0.00
Rural	8.37	0.00	0.00	7.20	4.22	0.00	0.00	5.01	3.66	4.01
Butler										
Urban	8.20	9.83	0.00	3.75	10.08	0.00	5.37	0.00	5.13	0.00
Rural	7.61	0.00	0.00	6.30	8.40	30.04	5.93	5.75	6.68	5.38
Chase										
Urban	10.96	0.00	0.00	4.00	8.73	0.00	0.00	0.00	0.00	0.00
Rural	10.83	0.00	0.00	2.18	19.53	0.00	0.00	8.56	6.97	7.34
Chautauqua										
Urban	5.96	0.00	0.00	3.37	8.37	0.00	3.63	0.00	0.00	0.00
Rural	3.80	0.00	0.00	1.40	0.00	0.00	.60	4.09	5.50	3.31
Cherokee										
Urban	9.49	14.91	0.00	5.30	15.25	9.83	.25	0.00	0.00	0.00
Rural	8.83	0.00	0.00	1.80	14.44	0.00	3.03	7.00	0.00	3.23
Cheyenne										
Urban	9.42	0.00	0.00	6.25	13.35	0.00	13.50	0.00	0.00	0.00
Rural	14.59	0.00	0.00	0.00	0.00	0.00	0.00	8.30	0.00	4.01
Clark										
Urban	13.85	0.00	0.00	22.50	27.02	0.00	0.00	0.00	0.00	0.00
Rural	10.40	0.00	0.00	0.00	8.12	0.00	30.00	0.00	0.00	6.75

County	Residential				Commercial			Agricultural		
	Single Family	Multi-Family	Condo	Vacant Lot	Commercial	Industrial	Vacant Lot	Improved w/Res.	Improved No/Res.	Unimproved
Clay										
Urban	10.76	20.01	0.00	10.25	21.08	3.19	8.00	0.00	0.00	0.00
Rural	5.77	0.00	0.00	.35	8.70	5.30	0.00	7.91	10.13	5.54
Cloud										
Urban	12.90	12.86	0.00	14.84	16.42	0.00	0.00	0.00	43.33	37.50
Rural	8.45	0.00	0.00	67.50	21.72	0.00	0.00	7.00	6.73	6.63
Coffey										
Urban	8.76	0.00	0.00	2.66	16.50	0.00	15.00	0.00	0.00	0.00
Rural	4.16	0.00	0.00	4.80	58.40	0.00	0.00	7.50	6.14	4.04
Comanche										
Urban	9.37	0.00	0.00	8.00	17.11	0.00	0.00	0.00	0.00	0.00
Rural	0.00	0.00	0.00	.75	0.00	0.00	0.00	4.88	5.36	3.89
Cowley										
Urban	9.20	0.00	10.64	6.46	19.20	0.00	12.00	0.00	0.00	0.00
Rural	9.85	.37	0.00	6.56	14.93	0.00	3.72	6.58	4.54	4.54
Crawford										
Urban	7.48	8.48	0.00	5.37	7.92	7.91	0.00	12.84	0.00	0.00
Rural	6.47	0.00	0.00	4.54	2.86	0.00	6.00	5.18	9.40	3.97
Decatur										
Urban	8.50	0.00	0.00	3.75	11.90	0.00	.77	0.00	0.00	0.00
Rural	12.66	0.00	0.00	0.00	5.35	0.00	0.00	4.79	5.49	4.83
Dickinson										
Urban	10.17	22.18	2.25	6.66	15.66	0.00	4.70	30.50	0.00	0.00
Rural	8.57	0.00	0.00	3.92	14.55	0.00	0.00	8.07	8.10	6.41
Doniphan										
Urban	11.03	0.00	0.00	5.00	15.60	0.00	0.00	0.00	0.00	0.00
Rural	9.06	0.00	0.00	1.87	5.20	0.00	0.00	3.61	3.37	3.82
Douglas										
Urban	9.13	9.77	7.67	5.46	7.89	7.03	3.12	9.88	11.46	0.00
Rural	7.34	0.00	0.00	3.52	2.21	0.00	0.00	6.16	3.72	3.31
Edwards										
Urban	11.37	0.00	0.00	4.22	22.28	0.00	4.80	0.00	9.10	0.00
Rural	8.40	0.00	0.00	7.00	0.00	0.00	0.00	5.37	4.23	4.75
Elk										
Urban	12.85	0.00	0.00	5.75	19.00	0.00	1.16	17.45	0.00	0.00
Rural	14.50	0.00	0.00	0.00	23.86	0.00	0.00	7.06	17.16	5.68
Ellis										
Urban	6.34	7.07	4.03	3.29	8.55	9.64	3.13	0.00	0.00	4.66
Rural	6.77	0.00	0.00	2.33	7.35	2.47	3.37	4.19	3.11	3.23
Ellsworth										
Urban	10.88	0.00	0.00	6.00	28.89	0.00	6.00	0.00	0.00	0.00
Rural	9.00	0.00	0.00	10.88	9.20	0.00	0.00	5.23	7.38	5.65

County	Residential				Commercial			Agricultural		
	Single Family	Multi-Family	Condo	Vacant Lot	Commercial	Industrial	Vacant Lot	Improved w/Res.	Improved No/Res.	Unimproved
Finney										
Urban	9.28	8.66	0.00	7.15	14.16	0.00	6.38	0.00	0.00	0.00
Rural	11.14	0.00	0.00	6.64	6.90	0.00	7.50	9.34	0.00	5.32
Ford										
Urban	8.63	7.68	0.00	4.00	11.44	13.07	3.46	0.00	0.00	0.00
Rural	5.51	0.00	0.00	3.88	11.46	0.00	9.36	6.90	6.60	6.28
Franklin										
Urban	8.80	7.29	0.00	3.47	9.85	0.00	0.00	3.23	0.00	0.00
Rural	14.85	0.00	0.00	3.52	57.50	0.00	0.00	6.14	5.17	4.69
Geary										
Urban	9.95	11.60	12.77	5.63	11.48	0.00	0.00	0.00	0.00	0.00
Rural	8.40	0.00	0.00	4.75	3.03	0.00	1.80	4.40	0.00	4.85
Gove										
Urban	7.43	0.00	0.00	2.40	11.00	0.00	7.00	0.00	0.00	0.00
Rural	0.00	0.00	0.00	1.00	0.00	0.00	0.00	5.49	4.72	4.44
Graham										
Urban	7.37	10.00	0.00	6.00	12.53	0.00	7.20	0.00	0.00	0.00
Rural	9.16	0.00	0.00	0.00	0.00	0.00	0.00	4.17	4.29	4.30
Grant										
Urban	8.74	0.00	0.00	4.50	11.65	0.00	0.00	0.00	0.00	0.00
Rural	3.54	0.00	0.00	4.50	8.30	0.00	0.00	0.00	0.00	6.00
Gray										
Urban	9.39	0.00	0.00	5.66	11.58	0.00	0.00	0.00	0.00	0.00
Rural	10.07	0.00	0.00	18.64	0.00	0.00	2.26	12.84	9.19	6.40
Greeley										
Urban	12.75	0.00	0.00	10.00	25.88	0.00	10.00	0.00	0.00	0.00
Rural	0.00	0.00	0.00	0.00	16.66	0.00	0.00	7.76	3.36	6.30
Greenwood										
Urban	8.73	0.00	0.00	6.00	16.28	0.00	0.00	0.00	0.00	0.00
Rural	4.91	0.00	0.00	4.58	0.00	0.00	0.00	5.68	5.23	4.85
Hamilton										
Urban	11.02	0.00	0.00	4.50	14.13	0.00	1.80	0.00	0.00	0.00
Rural	6.47	0.00	0.00	2.40	0.00	0.00	0.00	6.52	18.79	6.35
Harper										
Urban	8.81	18.91	1.30	5.00	18.30	0.00	38.70	0.00	0.00	0.00
Rural	19.10	0.00	0.00	2.25	17.50	0.00	19.50	4.74	4.29	5.09
Harvey										
Urban	8.86	8.52	7.34	6.93	10.26	16.11	13.33	0.00	0.00	5.73
Rural	8.78	0.00	0.00	3.46	11.53	12.06	0.00	5.08	6.76	5.68
Haskell										
Urban	7.84	0.00	0.00	6.50	13.58	0.00	0.00	0.00	0.00	0.00
Rural	0.00	0.00	0.00	0.00	0.00	0.00	2.40	0.00	6.34	4.95

County	Residential				Commercial			Agricultural		
	Single Family	Multi-Family	Condo	Vacant Lot	Commercial	Industrial	Vacant Lot	Improved w/Res.	Improved No/Res.	Unimproved
Hodgeman										
Urban	19.71	0.00	0.00	12.27	29.24	0.00	10.00	0.00	0.00	0.00
Rural	12.58	0.00	0.00	6.40	12.00	0.00	0.00	7.46	7.86	7.03
Jackson										
Urban	9.50	0.00	0.00	4.50	16.70	0.00	6.14	0.00	0.00	0.00
Rural	5.37	0.00	0.00	4.10	7.12	0.00	4.12	6.28	5.37	4.41
Jefferson										
Urban	8.82	0.00	0.00	6.00	12.87	0.00	0.00	0.00	0.00	0.00
Rural	7.73	0.00	0.00	8.55	7.18	0.00	0.00	5.16	4.93	3.74
Jewell										
Urban	18.23	0.00	0.00	12.22	19.37	0.00	14.28	0.00	0.00	0.00
Rural	2.95	0.00	0.00	0.00	0.00	3.63	0.00	5.41	5.05	5.33
Johnson										
Urban	7.49	8.19	5.80	4.43	6.73	7.31	1.26	3.89	5.70	1.41
Rural	6.20	0.00	0.00	3.55	6.38	0.00	.95	5.78	2.96	1.26
Kearny										
Urban	8.41	25.41	0.00	3.72	16.97	0.00	8.00	0.00	0.00	4.50
Rural	5.78	0.00	0.00	3.42	0.00	0.00	0.00	7.16	6.40	6.72
Kingman										
Urban	8.73	0.00	0.00	4.00	19.35	0.00	0.00	0.00	0.00	0.00
Rural	12.95	0.00	0.00	15.25	5.22	0.00	0.00	5.93	7.03	5.66
Kiowa										
Urban	10.40	0.00	0.00	9.00	17.70	0.00	13.50	0.00	0.00	0.00
Rural	30.00	0.00	0.00	2.85	0.00	0.00	0.00	8.25	0.00	6.86
Labette										
Urban	8.71	9.58	8.99	4.66	13.39	7.93	0.00	19.91	0.00	8.00
Rural	10.16	0.00	0.00	1.02	8.75	10.61	3.75	6.62	7.54	5.25
Lane										
Urban	16.89	0.00	0.00	10.00	22.60	0.00	17.30	0.00	0.00	0.00
Rural	21.73	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	4.66
Leavenworth										
Urban	9.37	11.00	5.39	4.50	8.58	0.00	2.55	8.90	0.00	0.00
Rural	8.09	0.00	0.00	4.76	9.07	0.00	4.00	5.54	6.15	3.47
Lincoln										
Urban	19.29	7.94	0.00	10.00	17.29	0.00	21.00	0.00	0.00	0.00
Rural	4.87	0.00	0.00	18.26	7.92	0.00	9.00	8.45	8.38	10.58
Linn										
Urban	9.95	0.00	38.63	3.75	11.40	5.08	0.00	0.00	0.00	0.00
Rural	8.91	0.00	0.00	5.00	18.56	0.00	0.00	7.08	4.62	2.87
Logan										
Urban	8.35	0.00	0.00	6.66	12.63	0.00	0.00	0.00	0.00	0.00
Rural	19.20	0.00	0.00	0.00	.14	0.00	0.00	3.19	0.00	4.47

County	Residential				Commercial			Agricultural		
	Single Family	Multi-Family	Condo	Vacant Lot	Commercial	Industrial	Vacant Lot	Improved w/Res.	Improved No/Res.	Unimproved
Lyon										
Urban	9.17	9.68	8.54	9.72	16.68	0.00	7.15	0.00	0.00	0.00
Rural	7.58	0.00	0.00	5.83	5.44	6.77	0.00	7.62	6.76	6.46
Marion										
Urban	8.45	0.00	0.00	5.71	8.02	0.00	5.40	0.00	0.00	0.00
Rural	6.51	0.00	0.00	2.83	0.00	0.00	0.00	8.36	7.78	5.99
Marshall										
Urban	13.20	8.19	0.00	10.00	21.86	0.00	10.00	0.00	0.00	0.00
Rural	6.09	0.00	0.00	9.00	0.00	0.00	6.66	6.28	6.75	5.20
McPherson										
Urban	8.72	13.77	8.69	10.50	13.85	11.06	12.04	0.00	0.00	0.00
Rural	12.74	0.00	0.00	0.00	53.00	2.00	1.93	5.09	6.86	6.23
Meade										
Urban	9.96	12.14	0.00	1.66	10.40	0.00	2.91	0.00	0.00	0.00
Rural	7.69	0.00	0.00	6.80	11.59	0.00	3.02	4.95	7.29	6.95
Miami										
Urban	9.71	8.57	0.00	4.06	13.00	0.00	0.00	6.35	0.00	0.00
Rural	7.23	0.00	0.00	1.85	1.52	0.00	.41	6.17	5.37	3.49
Mitchell										
Urban	9.41	23.89	0.00	3.33	12.43	0.00	23.50	0.00	0.00	0.00
Rural	23.87	0.00	0.00	60.00	6.12	0.00	0.00	7.02	5.71	5.02
Montgomery										
Urban	8.83	8.81	0.00	6.00	11.38	15.33	1.05	0.00	6.63	0.00
Rural	7.60	8.27	6.05	1.80	11.49	22.50	7.00	6.64	4.19	5.88
Morris										
Urban	8.76	0.00	0.00	2.81	17.68	1.91	3.33	0.00	0.00	0.00
Rural	4.70	0.00	0.00	21.42	0.00	0.00	0.00	7.64	9.01	7.62
Morton										
Urban	9.16	10.66	0.00	3.88	13.53	0.00	0.00	0.00	10.47	0.00
Rural	17.66	0.00	0.00	.40	0.00	0.00	.63	10.75	7.83	7.73
Nemaha										
Urban	9.06	7.46	0.00	4.76	15.66	10.25	9.53	0.00	0.00	0.00
Rural	3.65	0.00	0.00	4.16	0.00	0.00	0.00	6.84	5.13	4.69
Neosho										
Urban	8.30	12.27	0.00	4.85	15.00	7.47	4.42	0.00	0.00	0.00
Rural	6.01	17.46	4.86	3.00	5.16	0.00	0.00	5.57	5.54	5.21
Ness										
Urban	10.27	0.00	0.00	7.50	15.77	0.00	1.32	0.00	0.00	0.00
Rural	6.12	0.00	0.00	17.13	0.00	0.00	2.33	5.72	0.00	5.41
Norton										
Urban	9.22	0.00	0.00	12.50	16.72	0.00	10.31	0.00	0.00	0.00
Rural	6.61	0.00	0.00	90.00	14.77	0.00	0.00	4.78	0.00	4.25

County	Residential				Commercial			Agricultural		
	Single Family	Multi-Family	Condo	Vacant Lot	Commercial	Industrial	Vacant Lot	Improved w/Res.	Improved No/Res.	Unimproved
Osage										
Urban	10.30	7.44	0.00	7.08	14.82	0.00	314.00	20.23	0.00	0.00
Rural	8.28	0.00	0.00	2.41	17.86	0.00	0.00	8.70	11.47	6.73
Osborne										
Urban	14.00	35.66	0.00	11.42	14.92	0.00	9.47	0.00	0.00	0.00
Rural	2.68	0.00	0.00	0.00	0.00	23.77	0.00	10.18	7.74	5.27
Ottawa										
Urban	12.42	0.00	0.00	5.83	37.82	0.00	0.00	12.44	0.00	0.00
Rural	6.65	0.00	0.00	0.00	0.00	0.00	4.77	9.83	8.68	7.56
Pawnee										
Urban	9.23	14.01	0.00	7.82	19.23	0.00	0.00	0.00	6.05	0.00
Rural	6.88	0.00	0.00	0.00	0.00	0.00	0.00	4.16	7.00	5.26
Phillips										
Urban	10.08	0.00	0.00	3.00	26.66	0.00	1.71	14.33	0.00	0.00
Rural	0.00	0.00	0.00	0.00	35.00	0.00	0.00	7.71	6.70	4.30
Pottawatomie										
Urban	8.55	0.00	4.69	5.49	12.00	0.00	2.33	0.00	0.00	0.00
Rural	8.11	0.00	6.05	3.00	11.10	0.00	0.00	5.40	20.38	6.36
Pratt										
Urban	9.20	9.68	0.00	9.25	13.71	0.00	25.16	0.00	0.00	6.30
Rural	7.75	0.00	0.00	9.00	10.10	0.00	11.32	9.84	7.35	6.36
Rawlins										
Urban	8.33	30.94	0.00	11.14	13.68	0.00	40.90	0.00	0.00	0.00
Rural	0.00	0.00	0.00	0.00	16.87	0.00	0.00	5.71	0.00	3.98
Reno										
Urban	10.20	12.20	8.93	3.42	12.00	9.39	3.33	0.00	0.00	0.00
Rural	9.97	10.90	9.57	4.21	11.84	110.86	15.11	6.78	4.43	5.02
Republic										
Urban	17.50	12.59	0.00	36.66	22.88	0.00	20.00	7.15	0.00	4.21
Rural	8.25	0.00	0.00	17.76	23.15	0.00	0.00	7.63	5.84	5.85
Rice										
Urban	11.00	0.00	0.00	17.50	12.83	0.00	10.07	9.41	0.00	0.00
Rural	11.90	0.00	0.00	0.00	31.28	0.00	35.27	8.30	9.50	6.37
Riley										
Urban	9.88	9.96	12.94	9.55	14.27	5.75	73.86	5.75	0.00	0.00
Rural	10.68	0.00	0.00	9.06	7.98	0.00	1.50	4.57	4.96	4.86
Rooks										
Urban	7.47	10.09	0.00	7.50	10.09	0.00	6.66	0.00	0.00	0.00
Rural	8.00	0.00	0.00	0.00	7.10	0.00	0.00	6.57	4.73	4.02
Rush										
Urban	11.60	16.53	0.00	8.37	9.75	0.00	0.00	27.46	0.00	0.00
Rural	31.66	0.00	0.00	1.36	21.00	0.00	0.00	6.31	0.00	6.30

County	Residential				Commercial			Agricultural		
	Single Family	Multi-Family	Condo	Vacant Lot	Commercial	Industrial	Vacant Lot	Improved w/Res.	Improved No/Res.	Unimproved
Russell										
Urban	6.40	0.00	0.00	1.42	6.99	0.00	3.42	0.00	0.00	0.00
Rural	6.43	0.00	0.00	2.00	4.53	9.17	2.82	8.84	0.00	4.04
Saline										
Urban	8.14	8.67	9.50	4.71	10.62	0.00	2.72	1.62	0.00	0.00
Rural	7.05	0.00	0.00	2.31	5.00	0.00	7.00	6.08	6.06	5.46
Scott										
Urban	6.58	0.00	0.00	5.25	8.18	0.00	.56	0.00	0.00	0.00
Rural	6.18	0.00	0.00	0.00	1.23	0.00	7.91	5.30	5.51	4.94
Sedgwick										
Urban	7.81	9.15	7.52	.40	11.08	11.88	3.49	10.69	0.00	2.58
Rural	7.91	11.59	4.78	1.07	9.18	0.00	7.00	6.67	3.05	3.23
Seward										
Urban	7.72	8.65	0.00	4.41	9.46	0.00	3.62	0.00	0.00	0.00
Rural	4.56	0.00	0.00	15.00	3.42	0.00	0.00	6.91	7.38	6.50
Shawnee										
Urban	8.15	12.78	8.56	3.10	14.32	15.00	3.07	16.10	4.99	0.00
Rural	8.47	15.74	0.00	2.86	9.33	0.00	5.50	7.70	8.25	6.07
Sheridan										
Urban	5.83	0.00	0.00	2.85	21.80	0.00	10.00	0.00	0.00	0.00
Rural	0.00	0.00	0.00	1.88	0.00	0.00	0.00	3.81	3.43	3.14
Sherman										
Urban	9.23	14.50	0.00	10.50	10.89	0.00	11.16	0.00	0.00	0.00
Rural	9.14	0.00	0.00	0.00	3.84	0.00	0.00	7.11	5.53	4.62
Smith										
Urban	15.87	35.00	0.00	10.00	18.21	0.00	0.00	0.00	0.00	0.00
Rural	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.85	14.73	3.96
Stafford										
Urban	8.36	0.00	0.00	8.34	22.79	0.00	16.00	0.00	0.00	6.50
Rural	6.25	0.00	0.00	1.25	16.20	0.00	0.00	4.62	3.22	4.11
Stanton										
Urban	8.48	0.00	0.00	15.33	22.30	0.00	0.00	0.00	0.00	0.00
Rural	12.74	0.00	0.00	1.81	0.00	0.00	0.00	9.41	6.54	7.46
Stevens										
Urban	8.90	0.00	0.00	4.16	14.70	0.00	0.00	0.00	0.00	0.00
Rural	5.97	0.00	0.00	30.00	14.07	0.00	14.50	0.00	0.00	7.28
Sumner										
Urban	6.57	12.23	0.00	6.75	10.62	0.00	9.53	0.00	0.00	0.00
Rural	4.73	0.00	0.00	3.96	11.78	0.00	10.00	4.02	4.97	4.56
Thomas										
Urban	7.78	9.78	10.80	8.20	9.72	0.00	7.56	0.00	0.00	0.00
Rural	6.57	0.00	0.00	5.71	4.55	0.00	8.15	5.28	4.13	4.24

County	Residential				Commercial			Agricultural		
	Single Family	Multi-Family	Condo	Vacant Lot	Commercial	Industrial	Vacant Lot	Improved w/Res.	Improved No/Res.	Unimproved
Trego										
Urban	7.20	6.50	0.00	9.71	8.37	0.00	12.08	0.00	0.00	0.00
Rural	0.00	0.00	0.00	14.11	14.88	0.00	15.00	6.05	23.61	5.60
Wabaunsee										
Urban	7.49	0.00	0.00	5.80	18.79	0.00	20.00	0.00	0.00	0.00
Rural	6.00	0.00	0.00	0.00	0.00	0.00	0.00	5.96	20.50	6.44
Wallace										
Urban	11.25	0.00	0.00	5.00	17.97	0.00	0.00	0.00	0.00	0.00
Rural	0.00	0.00	0.00	8.66	10.24	0.00	0.00	7.36	6.33	4.82
Washington										
Urban	15.45	20.40	0.00	17.71	25.00	0.00	11.53	0.00	0.00	0.00
Rural	22.87	0.00	0.00	1.11	0.00	0.00	0.00	5.87	5.21	6.15
Wichita										
Urban	14.89	0.00	0.00	12.00	14.17	0.00	15.60	0.00	0.00	0.00
Rural	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.01	8.55	5.98
Wilson										
Urban	9.93	9.42	0.00	5.83	10.42	0.00	0.00	0.00	0.00	0.00
Rural	9.09	0.00	0.00	5.00	9.47	0.00	6.33	6.77	6.57	4.66
Woodson										
Urban	11.52	0.00	0.00	2.72	7.58	0.00	7.50	0.00	0.00	0.00
Rural	8.06	0.00	0.00	10.58	6.75	0.00	0.00	6.72	8.93	5.81
Wyandotte										
Urban	8.62	10.27	0.00	5.60	12.52	11.15	10.54	10.97	0.00	4.61
Rural	8.44	12.55	0.00	30.27	0.00	0.00	4.00	0.00	0.00	0.00
STATE SUMMARY										
Urban	8.21	9.40	6.91	4.04	12.03	10.41	4.15	8.13	6.05	1.67
Rural	7.85	11.59	6.05	4.16	8.30	9.17	4.00	6.13	5.63	4.93

1983 PROPERTY VALUES
 *** STATE TOTALS ***

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	1983 ASSESSED VALUATION	% OF TOTAL OF COL 1	ESTIMATED MARKET VALUE OF EACH PROPERTY CLASS	% OF TOTAL OF COL 3	ESTIMATED ASSESSED VALUATION AFTER REAPPRAISAL	% OF TOTAL OF COL 5	PROPOSED ASSESSED VALUATION	% OF TOTAL OF COL 7
1. RURAL REAL ESTATE								
2. AGRICULTURAL (INCL MINERAL INTERESTS)	1,676,110,859	15.4	31,538,804,627	33.3	9,461,641,388	33.3	1,892,328,274	16.5
3. HOMESITES & PLANNED SUBDIVISIONS	269,409,840	2.5	3,406,268,184	3.6	1,021,880,459	3.6	272,501,451	2.4
4. SPOT INDUSTR, COMMERC, & RECREATIONAL	147,691,386	1.4	2,294,194,555	2.4	688,258,371	2.4	275,303,346	2.4
5. TOTAL RURAL REAL ESTATE	2,093,212,085	19.2	37,239,267,366	39.3	11,171,780,218	39.3	2,440,133,071	21.3
6. URBAN REAL ESTATE								
7. RESIDENTIAL (INCL MINERAL INTERESTS)	2,014,690,476	18.5	24,195,565,190	25.5	7,258,669,561	25.5	1,935,645,214	16.9
8. MULTI-FAMILY	195,453,174	1.8	2,044,510,401	2.2	613,353,122	2.2	245,341,247	2.1
9. COMMERCIAL	771,105,188	7.1	7,647,586,263	8.1	2,294,275,883	8.1	917,710,347	8.0
10. INDUSTRIAL	103,715,453	1.0	986,470,900	1.0	295,941,277	1.0	118,376,506	1.0
11. VACANT LOTS	46,391,782	.4	3,638,589,806	3.8	1,091,576,948	3.8	181,929,496	1.6
12. TOTAL URBAN REAL ESTATE	3,131,356,073	28.7	38,512,722,560	40.7	11,553,816,791	40.7	3,399,002,810	29.6
13. TOTAL REAL ESTATE	5,224,568,158	47.9	75,751,989,926	80.0	22,725,597,009	80.0	5,839,135,881	50.9
14. STATE ASSESSED								
15. RAILROADS - RURAL	172,780,896	1.6	575,936,322	.6	172,780,896	.6	126,705,992	1.1
16. RAILROADS - URBAN	39,843,946	.4	132,813,157	.1	39,843,946	.1	29,218,897	.3
17. ALL OTHER - RURAL	1,413,133,029	12.9	4,710,443,434	5.0	1,413,133,029	5.0	1,413,133,029	12.3
18. ALL OTHER - URBAN	434,907,984	4.0	1,449,693,278	1.5	434,907,984	1.5	434,907,984	3.8
19. TOTAL STATE ASSESSED	2,060,665,855	18.9	6,868,886,191	7.3	2,060,665,855	7.3	2,003,965,902	17.5
20. OIL & GAS PRODUCTION								
21. OIL - RURAL & URBAN	1,112,911,310	10.2	3,709,704,367	3.9	1,112,911,310	3.9	1,112,911,310	9.7
22. GAS - RURAL & URBAN	796,680,976	7.3	2,655,603,255	2.8	796,680,976	2.8	796,680,976	6.9
23. TOTAL OIL & GAS PRODUCTION	1,909,592,286	17.5	6,365,307,622	6.7	1,909,592,286	6.7	1,909,592,286	16.6
24. RURAL PERSONAL PROPERTY OTHER THAN OIL & GAS PRODUCTION								
25. VEHICLES	13,232,282	.1	44,107,606	.0	13,232,282	.0	13,232,282	.1
26. MACHINERY & EQUIPMENT	187,949,959	1.7	626,499,860	.7	187,949,959	.7	187,949,959	1.6
27. MERCHANTS INVENTORY	51,546,043	.5	171,820,142	.2	51,546,043	.2	51,546,043	.4
28. MANUFACTURERS INVENTORY	129,382,162	1.2	431,273,869	.5	129,382,162	.5	129,382,162	1.1
29. ALL OTHER BUSINESS	39,375,540	.4	131,251,805	.1	39,375,540	.1	39,375,540	.3
30. LIVESTOCK	169,180,386	1.5	563,934,620	.6	169,180,386	.6	169,180,386	1.5
31. MISCELLANEOUS	83,868,044	.8	279,560,112	.3	83,868,044	.3	83,868,044	.7
32. TOTAL RURAL PERSONAL PROPERTY OTHER THAN OIL & GAS PRODUCTION	674,534,416	6.2	2,248,448,014	2.4	674,534,416	2.4	674,534,416	5.9
33. URBAN PERSONAL PROPERTY OTHER THAN OIL & GAS PRODUCTION								
34. VEHICLES	26,393,197	.2	87,977,322	.1	26,393,197	.1	26,393,197	.2
35. MACHINERY & EQUIPMENT	413,977,986	3.8	1,379,926,621	1.5	413,977,986	1.5	413,977,986	3.6
36. MERCHANTS INVENTORY	281,849,390	2.6	939,497,965	1.0	281,849,390	1.0	281,849,390	2.5
37. MANUFACTURERS INVENTORY	146,695,887	1.3	488,986,294	.5	146,695,887	.5	146,695,887	1.3
38. ALL OTHER BUSINESS	108,974,924	1.0	363,249,747	.4	108,974,924	.4	108,974,924	.9
39. LIVESTOCK	428,533	.0	1,428,442	.0	428,533	.0	428,533	.0
40. MISCELLANEOUS	68,923,998	.6	229,746,660	.2	68,923,998	.2	68,923,998	.6
41. TOTAL URBAN PERSONAL PROPERTY OTHER THAN OIL & GAS PRODUCTION	1,047,243,915	9.6	3,490,813,051	3.7	1,047,243,915	3.7	1,047,243,915	9.1
42. FARM MACHINERY	0	.0	0	.0	0	.0	0	.0
43. BUSINESS AIRCRAFT	0	.0	0	.0	0	.0	0	.0
44. GRAND TOTAL	10,916,604,630	100.0	94,725,444,804	100.0	28,417,633,481	100.0	11,474,472,400	100.0

1983 PROPERTY VALUES — STATE TOTALS

Percentage Each Class Bears to Total

	<u>1983</u>	<u>Reappraisal- Uniform & Equal</u>	<u>H.C.R. 5009</u>	<u>H.C.R. 5083</u>
<u>Agriculture</u>				
Ag Land	15.4%	33.3%	17.7%	16.5%
Livestock	1.5	0.6	0	1.5
Farm Machinery	0	0	1.4	0
	<u>16.9%</u>	<u>33.9%</u>	<u>19.1%</u>	<u>18.0%</u>
<u>Commerce and Industry</u>				
Rural Ind. & Comm.	1.4%	2.4%	3.2%	2.4%
Commercial	7.1	8.1	10.8	8.0
Industrial	1.0	1.0	1.4	1.0
Vacant Lots	0.4	3.8	2.7	1.6
<u>Rural</u>				
Merchants Inventory	0.5	0.2	0	0.4
Manufacturers Inventory	1.2	0.5	0	1.1
Machinery and Equipment	1.7	0.7	0.6	1.6
All Other Business	0.4	0.1	0.1	0.3
<u>Urban</u>				
Merchants Inventory	2.6	1.0	0	2.5
Manufacturers Inventory	1.3	0.5	0	1.3
Machinery and Equipment	3.8	1.5	1.3	3.6
All Other Business	1.0	0.4	0.3	0.9
Business Aircraft	0	0	0.1	0
	<u>22.4%</u>	<u>20.2%</u>	<u>20.5%</u>	<u>24.7%</u>
<u>Residences</u>				
<u>Urban</u>				
Residences	18.5%	25.5%	18.2%	16.9%
Multi-Family	1.8	2.2	1.5	2.1
<u>Rural</u>				
Homesites and Planned Subdivisions	2.5	3.6	2.6	2.4
	<u>22.8%</u>	<u>31.3%</u>	<u>22.3%</u>	<u>21.4%</u>
<u>State Assessed Utilities</u>				
Railroads	2.0%	0.7%	1.0%	1.4%
Other Utilities	16.9	6.5	17.4	16.1
	<u>18.9%</u>	<u>7.2%</u>	<u>18.4%</u>	<u>17.5%</u>
<u>Other</u>				
Total Gas & Oil Production	17.5%	6.7%	17.9%	16.6%
Vehicles	0.3	0.1	0.3	0.3
Miscellaneous	1.4	0.5	1.4	1.3
	<u>19.2%</u>	<u>7.3%</u>	<u>19.6%</u>	<u>18.2%</u>
GRAND TOTAL	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Note: Details may not add due to rounding.

Kansas Legislative Research Department
February 27, 1984



January 18, 1984

Kansas Legislative Policy Group

200 Jayhawk Tower, 700 Jackson, Topeka, Kansas 66603, 913-233-2227

WHEREAS: The Kansas Constitution authorizes the levy of ad valorem property taxes for purposes of financing costs of government and public services provided thereby; and

WHEREAS: Revenues derived from ad valorem property taxes are the principal source of funding local governments and essential services to protect the public safety, health, and welfare; and

WHEREAS: In order to assure fair and equitable administration of property taxation it is necessary to periodically reappraise property values; and

WHEREAS: For lack of periodic reappraisal of property values, certain inequities have evolved during an extensive period of time; and

WHEREAS: The immediate use of reappraised values would cause an undue assumption of property tax burdens among owners of certain types of property.

THEREFORE BE IT RESOLVED: The Kansas Legislative Policy Group, Inc. supports and endorses amendment of Kansas' Constitution for purposes of establishing different classes of property; and

BE IT FURTHER RESOLVED: The Kansas Legislative Policy Group, Inc. supports and endorses the establishment of specific rates of assessment of different classes of property; and

BE IT FURTHER RESOLVED: The Kansas Legislative Policy Group, Inc. supports and endorses statewide reappraisal of property values only if the voters are allowed to determine whether the Constitution should be amended for purposes of classifying property and establishing specific assessment rates; and

BE IT FURTHER RESOLVED: The Kansas Legislative Policy Group, Inc. opposes the use of a centralized computer system for purposes of achieving statewide reappraisal of property values.



Testimony on HCR 5009 and HCR 5083
before the
House Assessment and Taxation Committee
by
John W. Koepke, Executive Director
Kansas Association of School Boards
February 28, 1984

Mr. Chairman and members of the Committee, we want to express our appreciation for the opportunity to present the views of the school boards of Kansas on this topic of vital interest to the financing of public education. As you know, nearly half the cost of elementary and secondary education in Kansas is borne by local property taxes levied by the 305 unified school district boards of education. Any action which affects that property tax base has grave implications for public school financing.

With that in mind, our members have expressed deep concern over the property tax shifts which have been projected to occur between classes of property if reappraisal of property in Kansas were to be imposed, either by a court order or through legislative action. We are also dismayed by the results of studies undertaken by the Property Valuation Department which show wide disparities in assessment within property classes in the same taxing jurisdiction. The disparities demonstrate the need for some remedial action.

As a result of their study of these factors, our members have reached the same conclusion as the 1981 Interim Committee which studied the subject. Our Delegate Assembly has overwhelmingly adopted a policy statement endorsing the concept of a

constitutional amendment which would provide for the classification of property in Kansas with assessment percentages for each class specified in the amendment. This would be designed to prevent annual legislative battles over which classes of property should be assessed at what level.

The Committee should also be aware that enactment of any such amendment needs to take into consideration the changes in district wealth in the school finance formula that would occur as a result of any classification amendment, so that adjustments can be made to allow for those shifts. We believe that the correlation between a classification amendment and the school finance formula has not received the attention it deserves to this point.

A classification amendment also offers the opportunity for the legislature to deal in a comprehensive manner with the proposed and existing tax exemptions such as livestock, farm machinery and merchants and manufacturers inventories and to resolve those issues in a conclusive fashion.

If Kansas schools are to continue to be supported in any major portion by the property tax, then the concerns which are mounting regarding that tax base must be addressed. We believe that the resolutions before you offer the best vehicle to begin addressing those concerns. We believe that they should be addressed by legislative action rather than court fiat. We thank you for the opportunity to address our concerns, and I will be happy to answer any questions.

PROPERTY CLASSIFICATION

Excerpt from 1983-1984 Statement of Municipal Policy of the League of Kansas Municipalities

F-6. Property Taxes.

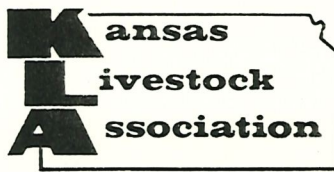
F-6a. **General.** While property tax levels in Kansas are generally reasonable, major increases should be avoided wherever possible, requiring additional state assistance and local alternative sources, as recommended in Section F-5, above. Since tangible, taxable property constitutes a decreasing portion of the economic wealth within cities, an increasing share of the municipal budget should come from non-property tax sources that recognize the nature of the urban economy -- sales and income.

F-6b. **Administration.** Kansas must secure improved administration of the property tax. In 105 of our 105 counties, according to the state real estate assessment ratio study, urban property is assessed at a higher level (8.23% average in 1982) than rural property (5.65% average, a difference of 69%.) Excessive and inequitable variations in assessments exist within and between classes of property. The level of assessments should more accurately reflect current market value as provided by law. Because of the great importance of the property tax to local governments, and the need for equity and fairness in the distribution of the property tax burden, the 1984 legislature should take positive action to implement a statewide property reappraisal program.

F-6c. **Classification.** The League long supported the uniform and equal taxation provision of the Kansas constitution, and opposed amendments or legislation to permit or require the use of appraisal factors to the exclusion of market value as the basis of assessing property when the result would be to further shift the burden of taxes to urban and residential property. However, inflation and county assessment practices has resulted in a fact situation whereby much property is assessed at a very small and declining ratio to its current market value and wide variations exist in the assessment levels of different classes of property. Some property is now taxed several times as much as other property with the same market value and at the same tax rate. As a result, judicially or legislatively mandated reassessments may occur in the near future which could result in a substantial shift of property taxes. With reluctance, we support a departure from the traditional uniform and equal clause, provided that the constitutionally authorized number of classes are minimal, and the maximum permitted assessment ratio variation to market value is kept within a reasonable range, such as 1 to 2. A limited constitutional amendment providing for the separate classification and taxation of property appears especially important if use value assessment of farm land is to be implemented.

F-6d. **Collection.** Increased efforts are necessary to secure the collection of property taxes and special assessments, both current and delinquent. K.S.A. Supp. 79-2004, relating to the collection of taxes, should be amended to specifically refer to special assessments. (See also Section D-6)

F-6e. **Exemptions.** We oppose the granting of tax exemptions to private property, including (1) homesteads, (2) merchants', manufacturers' and farmers' inventory, equipment and livestock, and (3) property used for pollution control, unless the state also provides funds with similar growth potential to replace the loss of local tax revenue, from sources not now used by cities. The 1982 exemption granted to commercial aircraft effective January 1, 1983 should be repealed.



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Statement of the
KANSAS LIVESTOCK ASSOCIATION
to the
House Committee on Assessment & Taxation
Rep. Jim Braden, Chairman
with respect to
HCR 5009 and HCR 5083
Classification
presented by
Dee Likes
Executive Vice President
February 27, 1984

Mr. Chairman and members of the committee, I believe all of you recognize KLA's continuing interest in this matter. Because we have appeared before this committee on several previous occasions to discuss classification I will try to not repeat each and every detail relative to this issue. KLA has been supportive of certain types of classification proposals. In a nutshell, the reasons are because: a) we prefer to adopt a specific solution to guard against an increase in agricultural taxes in case of reappraisal and to constitutionally phase out taxation on livestock; and b) it appears to us that Kansas already has a de facto classification system.

We currently classify different types of property by statute and practice in order to determine its value. As long as we continue this practice, Kansas will have inequities in the property tax system. Generally, those who support our current constitutional language as interpreted by the courts to mean uniform assessment and equal taxation are those who enjoy an extremely advantageous classified appraisal method. If it's acceptable to classify the appraisal method, which is the first factor of the property tax formula, why is it not just as acceptable to classify the assessment rate, which is the second factor in the property tax formula?

Admittedly, there are several alternatives on how to resolve the effects or the tax shifts which would result under reappraisal. Three alternatives are: 1) appraise or value all property on the same basis or, to put it another way, find a common denominator such as a capitalized income stream on which to value all property; 2) adopt use-value appraisal for agricultural land and an exemption circuit

breaker or some other alternative for homeowners; 3) adopt a classification system which puts into the Constitution specific classes and rates such as these two proposals.

KLA could support any of these alternatives or a combination of two or more, depending on the specifics. The problem is that alternative #1 and alternative #2 have been around for several years but as yet have not been able to sprout wings.

Therefore, we are resolved to work for an equitable classification amendment to the Constitution or possibly a combination of classification and other factors.

Basically what we consider to be the bare minimum in a classification proposal is that we have assessment rates on the ag land valued by use-value appraisal and on the other agricultural land which approximate status quo for agricultural real property taxation. The tax on livestock should either be constitutionally exempted or phased out such as the five year plan contained in HCR 5009. KLA could not support HCR 5083 as written because it contains no livestock exemption.

Additionally, we certainly support the adoption of amendatory language to specifically include farm machinery and equipment in the list of constitutionally exempt property embodied in HCR 5009.

Frankly, classification may be the only politically practical way to resolve the current property tax problem. We believe the classification of assessment rates is really no different than classification for appraisal. From a taxpayer's point of view it's the bottom line that really counts. KLA doesn't pretend to have all the answers and we certainly don't want to suggest that we're experts, but we support working toward a solution during the 1984 legislative session and we will certainly attempt to cooperate with this committee in order to find one that is mutually acceptable. ✓