

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION

The meeting was called to order by Senator Dan Thiessen, Chairman at
Chairperson

11:00 a.m./~~p.m.~~ on Wednesday, March 15, 1989 in room 519-S of the Capitol.

All members were present except:

Committee staff present:

Don Hayward, Revisor's Office
Chris Courtwright, Research Department
Tom Severn, Research Department
Marion Anzek, Committee Secretary

Conferees appearing before the committee:

Terry D. Hamblin, Dir., Property Valuation Div.-Dept. of Revenue
Terry Humphrey, Exec. Dir., Kansas Manufactured Housing Association
Gayle Landoll, Marshall County Clerk, representing KS County Clerks' Ass'n.

Chairman Dan Thiessen called the meeting to order and turned attention to SB328 and then he called upon Terry D. Hamblin, Director, Property Valuation Division.

SB328:AN ACT relating to property taxation; defining mobile home for such purpose; amending K.S.A. 79-335 and repealing the existing section; also repealing K.S.A. 79-340.

The following conferees were proponents of SB328.

Terry D. Hamblin said SB328 was introduced at the request of the Division of Property Valuation, and provides exceptions to the rule that mobile homes were personal property and amends K.S.A. 79-335 to provide a more definitive definition of mobile home. The "Classification Amendment" which became effective January 1, 1989, classified all mobile homes used for residential purposes as personal property. Therefore, K.S.A. 79-340 is in conflict with the constitution and in our opinion unenforceable. SB328 will ensure that county appraisers place all mobile homes on the personal property roll. (ATTACHMENT 1)

After committee discussion Chairman Thiessen called upon Terry Humphrey, Executive Director, Kansas Manufactured Housing Association.

Terry Humphrey said KMHA supports the provisions of SB328, but the Association felt amendments are needed in Section 1 of the bill if HB2177, which passed the House and is now in the Senate Transportation Committee becomes law. HB2177 repeals the requirement of non-highway registration of mobile homes and therefore would nullify, impart the listing and reporting requirements of K.S.A. 79-335. In an effort to insure that all manufactured homes are listed for purposes of property taxation we are proposing the attached amendments, and the Department of Property Valuation supports these amendments. (SEE ATTACHMENT 2)

After committee discussion Chairman Thiessen turned attention to SB332 and recognized Terry Hamblin.

SB332:AN ACT relating to county appraisers; amending K.S.A. 19-430 and 19-432 and K.S.A. 19-431, as amended by section 65 of chapter 356 of the laws of 1988, and repealing the existing sections.

Terry Hamblin said SB332 contains a technical amendment requested by the Division to delete the term "certified Kansas appraiser" and replace it with "eligible Kansas appraiser". He said the bill was requested to alleviate confusion between appraisers whose names appear on the Division's list as eligible for county appointment and appraisers holding the "Certified Kansas Appraiser" professional designation awarded by the Kansas County Appraisers' Association. He said, this does not change any requirements, it is only a title change. (ATTACHMENT 3)

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION

room 519-S, Statehouse, at 11:00 a.m./~~p.m.~~ on Wednesday, March 15, 1989

Chairman Thiessen concluded hearings on SB332 and turned attention to SB333 recognizing Terry D. Hamblin.

SB333: AN ACT relating to property taxation; concerning duties of certain county officers relating thereto; concerning taxing district boundary changes and the effective date thereof; amending K.S.A. 79-1803 and 79-1807 and K.S.A. 1988 Supp. 79-1467 and repealing the existing section.

Terry D. Hamblin said SB333 contains technical amendments which would alleviate a number of administrative problems at the local level. First we would request that Section 1 be amended by striking the words "or before" on line 32. It is the Division's intent to establish a date certain on which all tax levies would be determined. Inclusion of "or before" in this bill was an oversight. The date on which county clerks must compute the final tax levies within the county is not provided. This allows different counties to establish different dates or the same county to use different date in different years. Section 2. be amended to provide that whenever any tax district boundary is changed on or after January 1 of any year that such change shall take effect for tax purposes as of the first day of January following such change. Section 3 be amended to stike the language therein requiring the maintenance of an exempt personal property roll.

If a complete list of all personal property exempted from property or ad valorem taxation is not to be maintained, the provisions of K.S.A. 1987 Supp. 79-1467 requiring an exempt personal property tax roll should be repealed. (ATTACHMENT 4)

After committee discussion, Chairman Thiessen recognized Gayle Landoll, Marshall County Clerk.

Gayle Landoll said each year, on or before January 15th, the County Clerks are required by K.S.A. 79-1468 to certify all tax unit and tax district boundaries to the County Appraiser, the Director of Property Valuation, and to all state-assessed utilities located in the county. This is somewhat difficult to accomplish accurately when these boundaries are subject to change as late as July 1st. SB333 would coordinate the dates so that the boundary certification made by the County Clerk in January would remain in effect for tax purposes, for the remainder of that year. She said, on behalf of the Kansas County Clerks' Association, they would like to ask the committee's support of SB333. (ATTACHMENT 5)

Chairman Thiessen concluded hearings on SB328, SB332 and SB333, and adjourned the meeting at 12:10 p.m.




KANSAS DEPARTMENT OF REVENUE

Division of Property Valuation
Robert B. Docking State Office Building
Topeka, Kansas 66612-1585

MEMORANDUM

TO: SENATOR DAN THIESSEN, CHAIRMAN
ASSESSMENT AND TAXATION COMMITTEE

COMMITTEE MEMBERS

FROM: TERRY D. HAMBLIN, DIRECTOR
PROPERTY VALUATION DIVISION 

DATE: MARCH 15, 1989

SUBJECT: SENATE BILL 328

Thank you for the opportunity to appear before you today on behalf of Senate Bill 328. This bill was introduced at the request of the Division of Property Valuation.

Senate Bill 328 repeals K.S.A. 79-340 which provided exceptions to the rule that mobile homes were personal property and amends K.S.A. 79-335 to provide a more definitive definition of mobile home. The definition of mobile home contained in this bill is adapted from the definition of mobile home in K.S.A. 75-1226.

The "Classification Amendment" which became effective January 1, 1989, classified all mobile homes used for residential purposes as personal property. Therefore, K.S.A. 79-340 is in conflict with the constitution and in our opinion unenforceable.

The definition of mobile home provided in this bill will ensure that county appraisers place all mobile homes on the personal property roll. Due to less burdensome procedures employed for the collection of delinquent personal property taxes, this will make collection of such delinquent taxes easier for local governments.

ATT 2

KANSAS MANUFACTURED HOUSING ASSOCIATION

TESTIMONY BEFORE THE

SENATE

ASSESSMENT AND TAXATION

TO: Senator Dan Thiessen, Chairman and Members of the
Committee

FROM: Terry Humphrey, Executive Director
Kansas Manufactured Housing Association

DATE: March 15, 1989

Mr. Chairman and members of the Committee, I am Terry Humphrey, Executive Director of the Kansas Manufactured Housing Association (KMHA), and I appreciate the opportunity to comment on Senate Bill 328.

To begin I would like to state that KMHA supports the provisions of SENATE BILL 328, however, amendments are needed in Section 1 of the bill if House Bill 2177, which has passed the House and is now in the Senate Transportation Committee becomes law. House Bill 2177 repeals the requirement of non-highway registration of mobile homes and therefore would nullify impart the listing and reporting requirements of K.S.A. 79-335. In an effort to insure that all manufactured homes are listed for purposes of property taxation we are proposing the attached amendments and the Department of Property Valuation supports these amendments. Specifically, the amendments require that all mobile home owners list their home for property tax purposes as required by K.S.A. 1988 Supplement 79-306. However, if registration of a mobile home is still required than a listing is made at the time of registration or renewal of registration.

In closing, I bring this to your attention because it appears that House Bill 2177 is headed for passage. However, irrespective of the passage of House Bill 2177 these amendments simply further clarify the listing requirements. Thank you for your attention to this matter and I respectfully request the adoption of the attached amendments.

Attachment 2
Senate Assessment and Taxation
Wednesday, March 15, 1989

SENATE BILL No. 328

By Committee on Federal and State Affairs

2-27

14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43

AN ACT relating to property taxation; defining mobile home for such purpose; amending K.S.A. 79-335 and repealing the existing section; also repealing K.S.A. 79-340.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 79-335 is hereby amended to read as follows:
79-335. The owner of each mobile home ~~at the time such owner files an application for registration or for the annual registration renewal of such mobile home as provided~~ by article 1, of chapter 8 of the Kansas Statutes Annotated ~~shall~~ on forms prescribed or approved by the director of property valuation ~~furnish a listing of the mobile home or homes owned or possessed by such applicant for property taxation and any other information required by the director of property valuation.~~ Upon receipt of the listing the county treasurer shall forward such listing to the county appraiser. *For listing for property taxation purposes, mobile home means any factory built structure or structures more than eight feet in width and more than 36 feet in length, equipped with the necessary service connections for required utilities, having the plumbing, heating, air conditioning and electrical systems contained therein and made so as to be readily movable as a unit or units on its own running gear and designed to be used as a dwelling unit or units without a permanent foundation. In order to be considered to be "without a permanent foundation," the support system shall be constructed with the intent that the mobile home placed thereon may be moved from time to time at the convenience of the owner.*

Sec. 2. K.S.A. 79-335 and 79-340 are hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

shall list such mobile home for property taxation as required by K.S.A. 1988 Supp. 79-306. If registration of such mobile home is required

, such listing of a mobile home or homes owned by an applicant for registration or the renewal of registration thereof

be made at the time of registration or renewal of registration




KANSAS DEPARTMENT OF REVENUE

Division of Property Valuation
Robert B. Docking State Office Building
Topeka, Kansas 66612-1585

MEMORANDUM

TO: SENATOR DAN THIESSEN, CHAIRMAN
ASSESSMENT AND TAXATION COMMITTEE

COMMITTEE MEMBERS

FROM: TERRY D. HAMBLIN, DIRECTOR
PROPERTY VALUATION DIVISION 

DATE: MARCH 15, 1989

SUBJECT: SENATE BILL 332

Thank you for the opportunity to appear before you today on behalf of Senate Bill 332. This bill was introduced at the request of the Division of Property Valuation.

Senate Bill 332 contains a technical amendment requested by the Division to delete the term "certified Kansas appraiser" and replace it with "eligible Kansas appraiser".

This bill was requested to alleviate confusion between appraisers whose names appear on the Division's list as eligible for county appointment and appraisers holding the "Certified Kansas Appraiser" professional designation awarded by the Kansas County Appraisers' Association. In addition, there have been legislative proposals (including 1989 Senate Bill 324) which would create "Certified Real Estate Appraisers" administered by the Real Estate Commission which if approved would create even further confusion.

Attachment 3

Senate Assessment and Taxation
Wednesday, March 15, 1989

Phone (913) 296-2365




KANSAS DEPARTMENT OF REVENUE

Division of Property Valuation
Robert B. Docking State Office Building
Topeka, Kansas 66612-1585

MEMORANDUM

TO: SENATOR DAN THIESSEN, CHAIRMAN
ASSESSMENT AND TAXATION COMMITTEE

COMMITTEE MEMBERS

FROM: TERRY D. HAMBLIN, DIRECTOR
PROPERTY VALUATION DIVISION 

DATE: MARCH 15, 1989

SUBJECT: SENATE BILL 333

Thank you for the opportunity to appear before you today on behalf of Senate Bill 333. This bill was introduced at the request of the Division of Property Valuation.

Senate Bill 333 contains technical amendments which would alleviate a number of administrative problems at the local level.

First we would request that Section 1 be amended by striking the words "or before" on line 32. It is the Division's intent to establish a date certain on which all tax levies would be determined. Inclusion of "or before" in this bill was an oversight.

K.S.A. 79-1803 presently provides that "After all amounts of ad valorem tax levies have been certified to the county clerk, the county clerk shall compute the final tax levy rate . . .". The statute further provides that the levies must be certified to the county treasurer on or before November 1.

The date on which county clerks must compute the final tax levies within the county is not provided. This allows different counties to establish different dates or the same county to use different dates in different years.

Present law results in a great deal of confusion as to when levies are to be set, the use of different dates can make substantial differences in the tax base and therefore the final levy rate. This may result in significant differences in tax burden for taxpayers in school districts, or other districts which cross county lines.

Section 2 proposes that K.S.A. 79-1807 be amended to provide that whenever any tax district boundary is changed on or after January 1 of any year that such change shall take effect for tax purposes as of the first day of January following such change.

Presently, whenever annexations, attachments, transfers, mergers, or consolidations take place the county appraiser is required to reassign all of the property affected to a new taxing unit, which results in various county officials having to reverse the property tax processing that has taken place up to that point. The amendment of K.S.A. 79-1807 would contribute to more efficient accounting for property by taxing district and taxing unit by county officials.

The reverse processing of all property which has been located, classified, appraised, and certified to the county clerk, subjects county officials to additional time, expense and error when taxing districts and taxing units are changed subsequent to January 1 (Tax Day).

Section 3 proposes that K.S.A. 1987 Supp. 79-1467 be amended to strike the language therein requiring the maintenance of an exempt personal property roll.

An exempt personal property tax roll, if complete, would provide valuable information concerning the amount of personal property exempted from property taxation. Presently however the exempt personal property roll is not a complete roll because personal property exempted from taxation by K.S.A. 79-201j (farm machinery and equipment) and K.S.A. 79-201c (wearing apparel and household goods and personal effects) is not required to be included on the exempt roll.

If a complete list of all personal property exempted from property or ad valorem taxation is not to be maintained, the provisions of K.S.A. 1987 Supp. 79-1467 requiring an exempt personal property tax roll should be repealed.

ATT 5

MARSHALL COUNTY, KANSAS

GAYLE LANDOLL

COUNTY CLERK

MARYSVILLE, KANSAS 66508

PHONE 913-562-5361

To: Senate Assessment and Taxation Committee
Re: Senate Bill 333

On behalf of the Kansas County Clerks' Association, we would like to ask the committee's support of SB 333.

Each year, on or before January 15th, the County Clerks are required by K.S.A. 79-1468 to certify all tax unit and tax district boundaries to the County Appraiser, the Director of Property Valuation, and to all state-assessed utilities located in the county. This is somewhat difficult to accomplish accurately when these boundaries are subject to change as late as July 1st.

Currently annexations made on or before April 1st and school district or community college district boundary changes made on or before July 1st take effect for tax purposes as of December 31st of the preceding year.

Senate Bill 333 would coordinate the dates so that the boundary certification made by the County Clerk in January would remain in effect, for tax purposes, for the remainder of that year.

This bill also requires the County Clerk to determine the final tax levy rate on or before September 15th. In instances where school districts, regional library districts, cemetery districts and fire districts overlap county lines the County Clerk of the home county must certify the tax levy to the other counties involved early enough to provide sufficient time to process the tax roll. Over the years, mid-September has been somewhat of the unwritten deadline to make this certification. Senate Bill 333 would reinforce current policy on this matter.

Thank you for your consideration and I would like to again ask for your support of Senate Bill 333.



Gayle Landoll
Marshall County Clerk
Legislative Committee Chairman
Kansas County Clerks' Association