

Approved Monday, January 22, 1990
Date

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION

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

11:00 a.m. ~~xxx~~ on Wednesday, January 17, 1990 in room 519-S of the Capitol.

All members were present except:

Committee staff present:

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

Conferees appearing before the committee:

Ed C. Rolfs, Secretary of Revenue, KS Dept. of Revenue
Mark Burkhardt, Department of Revenue
Ed Swisher, Compliance Director, Dept. of Revenue

Chairman Thiessen called the meeting to order at 11:02 a.m and asked for approval of the minutes of January 16, 1990.

Senator Langworthy moved to adopt the minutes of January 16, 1990, 2nd by Senator Frahm. The motion carried.

The Chairman called upon Ed C. Rolfs, Secretary of Revenue, KS Dept. of Revenue.

Ed Rolfs said the Department of Revenue has 6 bills for the Senate Committee's consideration and said he would like to call upon Mark Burkhardt to present the bills for the Department. (*Attachment 1*)

Mark Burkhardt said he would offer a briefing of the 6 proposed bills. 1. Imposes the drug tax on marijuana plants as well as processed marijuana; and imposes interest at 18% on delinquent drug taxes. 2. Authorizes the Secretary of Revenue to require the payment of taxes by electronic funds transfer. 3 Applies local sales tax on telephone answering services at the situs of the subscriber. 4. Changes the due date for homestead tax refund claims from October 15 to April 15. 5.Changes due date for transient guest tax returns to the 25th of the immediately succeeding month in which the tax is collected; and brings penalty & interest provisions of transient guest tax into full conformity with sales tax provisions. 6. Allows a deduction for certain expenses incurred to purchase interest-bearing obligations which generate taxable income. Mr. Burkhardt stood for questions from the committee.

After committee discussion Chairman Thiessen recognized Ed Rolfs.

Ed Rolfs, Secretary of Revenue said he would be addressing the commercial circuit breaker proposal. The proposal will provide property tax relief to Commercial property owners. The Governor has recommended \$42.7M in relief for the commercial circuit breaker program. The Governor is endorsing a targeted circuit breaker program. The target group is commercial property taxpayers who have witnessed more than a 100% increase in their property taxes due to reappraisal or classification, run small businesses, have limited income and have had limited savings through the inventory exemption and the reduction in taxes on personal property. The refund of property tax for this group should be \$5,000 or 50% of the increase from 1988 to 1989, whichever is less.(ATTACHMENT 2)

After committee discussion Chairman Thiessen recognized Ron Swisher, Compliance Director, Department of Revenue.

Ed Swisher passed (ATTACHMENTS 3-A, 3-B, 3-C, 3-D) to the members and briefed the members on Attachment 3-A re: real estate preliminary sales ratio study. He said the report contains certain items of data from the interim 1989 study, and he said their goal is to provide data to the Legislature in as timely a manner as possible. Detailed analysis sheets for each county are available if you would like to review

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION

room 519-S, Statehouse, at 11:00 a.m./~~p.m.~~ on Wednesday, January 17, 1990

them. He said, the Department has simplified the report from earlier versions which the members may have seen, and they have added comparable figures from the 1988 sales ratio study where available. He said Attachment 3-b lists the Median Ratios and Coefficients of Deviation for Residential Property, ranked by Median Ratio. Attachment 3-c is the Coefficient of Deviation, which measure the degree of variation of individual ratios in relationship to the median ratio for a group of properties sold. The coefficient is the percentage by which the various individual sales ratios differ, on average, from the median ratio. Similar charts are Attachment 3-d for all other classes, generally referred to as commercial property.

Senator Martin asked Mr. Swisher if he had figures on the ratio studies done in the years of 1985, 1986 and 1987 concerning the number of invalid and valid sales and what the relationship is with this study.

Ron Swisher said the sales used for this study are strictly sales the appraisers have validated, themselves, and we are running the study now of the number that were validated and invalidated, and the figures are about 70% invalidated and 30% valid.

The committee had discussion on the number of sales that have been thrown out which caused a lower number of validated.

Mr. Swisher said the Department is doing a study now to include close to 100% of the sales and this should be available in a couple of weeks.

The Chairman asked Mr. Swisher to give copies of this study to the committee when available. Mr. Swisher said he would be glad to present them to the committee when the study is completed.

Chairman Thiessen asked for the pleasure of the committee on the Department of Revenue proposed bills.

Senator Montgomery moved to introduce the proposed bills and referred back to this committee, 2nd by Senator Martin. The motion carried.

Chairman Thiessen adjourned the meeting at 11:58 a.m.



KANSAS DEPARTMENT OF REVENUE

Office of the Secretary
Robert B Docking State Office Building
915 SW Harrison St
Topeka Kansas 66612-1588

To: The Honorable Dan Thiessen, Chairman
Senate Committee on Assessment and Taxation

From: Ed C. Rolfs
Secretary of Revenue

Date: January 17, 1990

Subject: Proposed Legislation

The Department of Revenue has six bills for the Senate Committee's consideration.

Proposed Bill No. 1: (A) Imposes the drug tax on marijuana plants as well as processed marijuana; (B) imposes interest at 18% on delinquent drug taxes.

Proposed Bill No. 2: Authorizes the Secretary of Revenue to require the payment of taxes by electronic funds transfer.

Proposed Bill No. 3: Applies local sales tax on telephone answering services at the situs of the subscriber.

Proposed Bill No. 4: Changes the due date for homestead returns from October 15 to April 15.

Proposed Bill No. 5: (A) Changes due date for transient guest tax returns to the 25th of the immediately succeeding month in which the tax is collected; (B) brings penalty & interest provisions of transient guest tax into full conformity with sales tax provisions.

Proposed Bill No. 6: Allows a deduction for certain expenses incurred to purchase interest-bearing obligations which generate taxable income.

I would be happy to respond to any questions you might have.

General Information (913) 296-3909
Office of the Secretary (913) 296-3041 • Legal Services Bureau (913) 296-2381
Audit Services Bureau (913) 296-7719 • Planning & Research Services Bureau (913) 296-3081
Administrative Services Bureau (913) 296-2331 • Personnel Services Bureau (913) 296-3077

SENATE ASSESSMENT AND TAXATION COMM.
ATTACHMENT 1 Wednesday 1-17-90



KANSAS DEPARTMENT OF REVENUE
OFFICE OF THE SECRETARY
Robert B. Docking State Office Building
Topeka, Kansas 66625-0001
(913) 296-4218

MEMORANDUM

**TO: THE HONORABLE DAN THIESSEN, CHAIRMAN
SENATE COMMITTEE ON ASSESSMENT AND TAXATION**

**FROM: ED C. ROLFS
SECRETARY OF REVENUE**

DATE: JANUARY 9, 1990

RE: COMMERCIAL CIRCUIT BREAKER

Thank you for the opportunity to appear today to discuss the Administration's proposal for providing property tax relief to Commercial property owners. The Governor has recommended \$42.7 million in relief for the commercial circuit breaker program. The Governor is endorsing a targeted circuit breaker program.

The target group is commercial property taxpayers who have witnessed more than a 100% increase in their property taxes due to reappraisal or classification, run small businesses, have limited income and have had limited savings through the inventory exemption and the reduction in taxes on personal property. The refund of property tax for this group should be \$5,000 or 50% of the increase from 1988 to 1989, whichever is less.

Many in this group were hit by unanticipated and substantial property tax increases. The commercial circuit breaker program will allow this group time to factor these changes into their budgets and serve as a bridge to permanent and lasting property tax relief measures.

TARGETING FEATURES OF THE PROPOSAL

DEFINITION OF COMMERCIAL PROPERTY

There is not a classification in our constitutional scheme of

property taxation that is called "commercial". The type of property we think of as commercial is part of the "all other" property classification.

We would propose that the Commercial Circuit Breaker be limited to what is generally thought of as business property. The Sales-Ratio study has traditionally defined commercial property as *including all land and improvements utilized or intended to be utilized as a business or income producing enterprise and all personal property subject to ad valorem taxation listed on commercial personal property statements*. We would suggest that this definition be incorporated into a Circuit Breaker bill for those classified in the "All Other" category.

AGGREGATE TAX INCREASE

It is also necessary to target relief to a taxpayer whose **total** property taxes increased by the 100% threshold. Two factors of importance operate here.

Include both real and personal property taxes.

To qualify for a refund the total real *and* personal property taxes assessed for 1989 must exceed the 1988 taxes by 100%. Many businesses may have seen a large increase in their property taxes on real estate, however, those increases may have been offset by the elimination of the inventory tax and the substantial reduction in taxes on business machinery and equipment.

"Per Taxpayer rather than "per parcel" approach.

Taxpayers who own multiple properties would qualify for only one refund check, and would have experienced a net overall tax increase of 100% or more on all of their property. In addition, *rules of attribution* should be adopted to limit businesses which are commonly owned to one refund.

There are instances where taxpayers have witnessed a substantial increase on some property while at the same time having minimal increases on others. The administration believes that all properties should be combined when conducting the 100% threshold test.

EFFECTIVE TAX RATE TEST

The program should be targeted to taxpayers whose actual effective

tax rate exceeds either the state-wide or county-wide average. When analyzing percentage increases, some of these occurred do to differing ways in which local jurisdictions treated commercial property taxpayers historically. A commercial property taxpayer who owned property in a county that kept values fairly current would have a much small percentage increase than one which did not. It is only fair to limit the refund to those that exceed these averages as these are the taxpayers who have an equity claim.

SMALL BUSINESS DEFINITION

In order to target refunds to "small businesses", the term should be defined. Attached is a definition which is already utilized in our statute which basically limits the term to companies with a maximum of 25 to 50 employees and less than \$1.5 million to \$4.0 million in annual gross receipts, depending on the type of business.

FEDERAL TAXABLE INCOME TEST

Refunds will be targeted to taxpayers whose average federal taxable income over the past three years has been \$50,000 or less. Appended hereto is suggested statutory language. The program is designed to meet the needs of those small businesses which face difficulty in meeting their property tax obligations and therefore, we propose the inclusion of an income test in the program.

FISCAL DATA CURRENTLY AVAILABLE

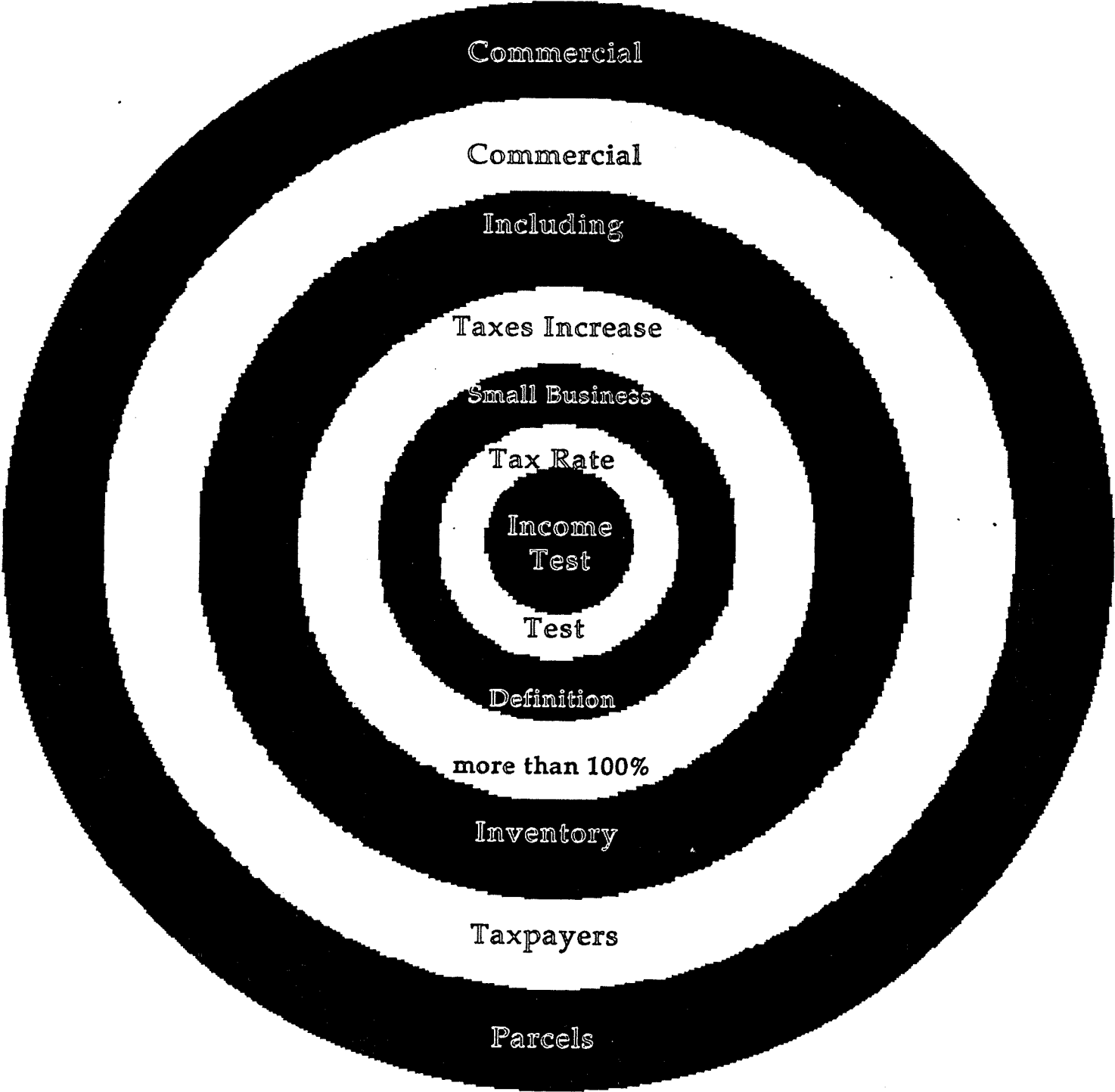
A data model is currently being developed by the staff of the Property Valuation Division. This model will be built using a statewide statistical sampling technique that involves collection of information on over 400 parcels and individually contacting 400 commercial property taxpayers to gather data which is not available in state or county computer systems.

The information will be available in the latter part of January. The Governor has directed the Department to work with the legislature in crafting a targeted circuit breaker program that is within his recommended appropriation of \$42.7 million and contains the targeting features which have been proposed.

I would be happy to respond to any questions you may have.

Commercial Circuit Breaker

Target Area



more than 100%

Inventory

Definition

Test

Income Test

Tax Rate

Small Business

Taxes Increase

Including

Commercial

Commercial

Article 11.—FINANCE AND TAXATION

§ 1. (a) System of taxation; classification; exemption. The provisions of this subsection (a) shall govern the assessment and taxation of property until the provisions of subsection (b) of this section are implemented and become effective, whereupon subsection (a) shall expire. The legislature shall provide for a uniform and equal rate of assessment and taxation, except that the legislature may provide for the classification and the taxation uniformly as to class of motor vehicles, mineral products, money, mortgages, notes and other evidence of debt or may exempt any of such classes of property from property taxation and impose taxes upon another basis in lieu thereof. All property used exclusively for state, county, municipal, literary, educational, scientific, religious, benevolent and charitable purposes, and all household goods and personal effects not used for the production of income, shall be exempted from property taxation.

(b) System of taxation; classification; exemption. (1) The provisions of this subsection (b) shall govern the assessment and taxation of property on and after January 1, 1989, 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 provisions of this subsection (b) 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 four 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:

- (A) Real property used for residential purposes including multi-family residential real property 12%
- (B) 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%
- (C) Vacant lots 12%
- (D) All other urban and rural real property not otherwise specifically subclassified 30%

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:

sification and assessed uniformly as to subclass at the following percentages of value:

- (A) Mobile homes used for residential purposes 12%
- (B) Mineral leasehold interests 30%
- (C) Public utility tangible personal property 30%
- (D) All categories of motor vehicles not defined and specifically valued and taxed pursuant to law enacted prior to January 1, 1985 30%
- (E) 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 20%
- (F) All other tangible personal property not otherwise specifically classified.... 30%

(2) All property used exclusively for state, county, municipal, literary, educational, scientific, religious, benevolent and charitable purposes, farm machinery and equipment, merchant's and manufacturer's inventories and livestock and all household goods and personal effects not used for the production of income, shall be exempted from property taxation.

History: Adopted by convention, July 29, 1859; ratified by electors, Oct. 4, 1859; L. 1861, p. 62; L. 1923, ch. 255, § 1; L. 1963, ch. 459, § 1; L. 1974, ch. 460, § 1; L. 1985, ch. 364, § 1; Nov. 4, 1986.

Research and Practice Aids:

Constitutional Law ⇐ 229(1 to 3), 282 et seq.; Taxation ⇐ 39 et seq., 191 et seq.

Hatcher's Digest, Constitutional Law §§ 57, 63; Taxes §§ 12 to 42.

C.J.S. Constitutional Law §§ 520 et seq., 648 et seq.; Taxation §§ 21 et seq., 215, 216, 1098.

Law Review and Bar Journal References:

"Legal Framework Governing the Kansas Non-Profit Corporation-Part II," Fred Lovitch, 48 J.B.A.K. 343, 348 (1979).

"The Kansas Property Tax: Mischievous, Misunderstood, and Mishandled," Lori M. Callahan and Linda Parks, 22 W.L.J. 318 (1983).

"The Kansas Property Tax: Understanding and Surviving Reappraisal," P. John Brady, Brian T. Howes and Greg L. Musil, 57(3) J.K.B.A. 23, 24 (1988).

(c) The secretary of aging shall prepare annually a report evaluating the effectiveness of the older Kansans employment programs and recommending measures to increase the number of older Kansans gainfully employed. The report shall be prepared and made available annually to the governor, members of the legislature, the secretary of human resources and the members of the advisory council on aging no later than December 15 in any year.

(d) As used in this section, "older Kansan" means a resident of the state of Kansas who is 55 years of age or older.

History: L. 1982, ch. 333, § 1; July 1.

Article 60.—KANSAS SMALL BUSINESS PROCUREMENT ACT

Cross References to Related Sections:

Division of purchases, department of administration, see 75-3737a et seq.

75-6001. Short title. This act may be cited as Kansas small business procurement act.

History: L. 1978, ch. 354, § 1; July 1.

75-6002. Policy; fair proportion of state purchases and contracts placed with small businesses. Because the existence of a strong and healthy free enterprise system is directly related to the well-being and competitive strength of small businesses and to the opportunity for these small businesses, including those owned and operated by minority persons, to have free entry into business, to grow and to prosper, it is declared to be the policy of this state to ensure that a fair proportion, at least but not limited to ten percent (10%), of the total dollar amount of purchases of and contracts for property and services for the state (including but not limited to supplies, materials, equipment, maintenance, contracted services, repair services and construction) be placed with small businesses. Each state agency shall participate to the extent possible in carrying out this policy.

History: L. 1978, ch. 354, § 2; July 1.

75-6003. Definitions. As used in this act, unless the context clearly requires otherwise, the following words and phrases shall have the meanings respectively ascribed to them in this section:

(a) "Small business" means a business which is independently owned and

operated, not dominant in its field of operation and is not an affiliate or division of a larger business.

(b) "Business" means: (1) An entity organized for profit, including but not limited to, an individual, partnership, corporation, joint venture, association or cooperative; or (2) a bona fide nonprofit organization operating primarily for the habilitation, rehabilitation or employment of handicapped persons which employs at least five handicapped persons for every nonhandicapped person who is directly engaged in the manufacture and processing of products by the nonprofit organization.

(c) "Dominant in its field of operation" means exercising a controlling or major influence in a kind of business activity in which a number of businesses are engaged. In determining if a business is dominant, the following criteria, among others, shall be considered: Number of employees; volume of business; financial resources; competitive status or position; ownership or control of materials, processes, patents, license agreements and facilities; sales territory; and nature of business activity. Furthermore, notwithstanding the above criteria, the following businesses shall be deemed dominant in their field of operation: (1) Manufacturing businesses which employ more than 50 persons and have in the preceding three fiscal years exceeded \$3,000,000 gross income annually; (2) general construction businesses which in the preceding three fiscal years exceeded \$4,000,000 gross income annually; (3) all other nonmanufacturing businesses which employ more than 25 persons and have in the preceding three fiscal years exceeded \$1,500,000 gross income annually.

(d) "Affiliate or division of a larger business" means a business which is a subsidiary of or owned in part by a larger business which is dominant in its field of operation, or which is owned in excess of 20% by the partners, officers, directors, majority shareholders or their equivalent, of a larger business which is dominant in its field of operation.

(e) "Small business set-aside" means a purchase request which will be offered to and response accepted only from small businesses.

(f) "Minority person" means a citizen of the United States who is Negro, Hispanic,

INCOME TEST

"Net income" means:

(A) In the case of individuals, the average of adjusted gross income, as defined for federal income tax purposes, for the three taxable periods prior to 1989;

(B) in the case of corporations and financial institutions, the average federal taxable income, as defined for federal income tax purposes for the prior three taxable periods prior to 1989;

(C) in the case of partnerships, the average ordinary income, as defined for federal income tax purposes, for the prior three taxable periods prior to 1989;

(D) in the case of trusts, the average distributable net income, as defined for federal income tax purposes, for the prior three taxable periods prior to 1989; and

(E) for any other taxpayers, the average income for the prior three taxable periods prior to 1989, pursuant to rules promulgated by the secretary of revenue.

In the case of taxpayers, not in existence for three taxable periods prior to 1989, the average income for all prior taxable periods shall be used.

KANSAS

DEPARTMENT OF HUMAN RESOURCE



RECEIVED

LABOR MARKET INFORMATION SERVICES
401 S.W. Topeka Boulevard, Topeka, Kansas 66602-3199
(913) 296-5058

PLANNING & RESEARCH

Mike Hayden, Governor

Ray D. Siehndel, Secretary

December 11, 1989

Ms. Martha Carithers
Kansas Department of Revenue
Research Section-2nd floor
Landon State Office Building
Topeka, Kansas 66612

RE: Data Request

Dear Ms. Carithers:

Following our discussion of Monday, December 11, I am submitting the attached table for your review and comment. Information is as reported for the quarter ending March 1988. While the data is well over one year old, the per cent distribution among size categories will vary little with the current period. The first and second columns are total active firms covered by the Kansas Employment Security Law and the remaining two columns reflect private ownership only.

Let me know if I can provide additional information. Contact me 913-296-5058.

Sincerely,

William H. Layes, Chief
Labor Market Information Services

Attachments

WHL:mw

TABLE 1
EMPLOYING UNITS AND NUMBER OF EMPLOYEES
BY SIZE CLASS AND OWNERSHIP
MARCH 1988 1/

Size of Employment Category	<u>All Coverage</u>		<u>Private Ownership</u>	
	Employing Units	Employment *	Employing Units	Employment
Total	62,283	968,421	58,925	798,959
1-4	34,093	71,043	32,361	67,731
5-9	12,638	82,704	12,206	79,829
10-19	7,556	101,328	7,303	97,936
20-49	4,783	144,891	4,473	134,698
50-99	1,792	123,571	1,523	104,141
100-249	1,021	153,962	772	116,931
250-499	238	81,135	184	62,571
500-999	101	68,433	63	42,804
1000 +	61	141,354	40	92,318

1/ Employment "covered" by the Kansas Employment Security Law as reported to "Covered Employment and Wages ES-202".

* Employees not being home work

Kansas Department of Human Resources
Division of Policy and Management Analysis
Research and Analysis Section
April 19, 1989



KANSAS DEPARTMENT OF REVENUE

Property Valuation Division

Robert B. Docking State Office Building

Topeka, Kansas 66625-0001

(913) 296-4218

MEMORANDUM

**TO: THE HONORABLE DAN THIESSEN, CHAIRMAN
SENATE COMMITTEE ON ASSESSMENT AND TAXATION**

**FROM: JOHN R. LUTTJOHANN
PROPERTY VALUATION DIRECTOR**

DATE: JANUARY 17, 1990

RE: REAL ESTATE PRELIMINARY SALES RATIO STUDY

Thank you for the opportunity to appear today to discuss the 1989 Preliminary Sales Ratio Study.

Attached hereto is a report of certain items of data from the Interim 1989 study. It is our goal to provide data to the Legislature in as timely a manner as possible. Detailed analysis sheets for each county are available if you would like to review them.

We have simplified the report from earlier versions which you may have seen, and have added comparable figures from the 1988 sales ratio study where available.

Attachment 1 lists the Median Ratios and Coefficients of Deviation for Residential Property, ranked by Median Ratio. The ratio is the sales price of the property divided by the appraised value. A "perfect" ratio, would therefore, be 100.00, meaning that the property sold for exactly the same amount at which it was appraised. The median is a statistical measure of central tendency used to describe a group of individual ratios. The median is found by arranging the individual ratios in order of magnitude from highest to lowest, then selecting the middle ratio in the series. The median

depends on the position of items in the distribution rather than their magnitude, therefore, influence is not given to unusually high or low ratios.

A median of greater than 100 would indicate that more parcels sold for less than their appraised value than sold for more than the appraised value. Conversely, if parcels consistently sold for an amount greater than their appraised valuations, the median ratio would be less than 100.

The other statistical measure shown is the Coefficient of Deviation. This measures the degree of variation of individual ratios in relationship to the median ratio for a group of properties sold. The Coefficient is the percentage by which the various individual sales ratios differ, on average, from the median ratio. In rough terms, if we are looking at a bell-shaped curve which shows the dispersion of sales ratios around the median, the wider the bell-shaped curve, the higher the Coefficient of Deviation. In general, if the final ratio study, due to be completed by April 30, indicates a Coefficient of Deviation in excess of 20 for a particular sub-class of property, the Director of Property Valuation may order a reappraisal of the property in that particular sub-class.

There are a lot of counties listed here whose residential property reflects a Coefficient of Deviation in excess of 20, and that is a matter of concern. On analysis, you will note two items which mitigate that concern a great deal. First, if we compare the 1989 C.O.D. to the 1988, C.O.D., we see vast improvement. Secondly, the C.O.D. in excess of 20 tends to show up only in counties where there are relatively few sales. Obviously, it is more difficult both to appraise property, and to determine if sales figures are valid when there is not much activity in the market.

Similar charts are enclosed for Vacant Lots, attachment 2, and for the "All Other" class, attachment 3, generally referred to as Commercial Property.

We are currently engaged in follow-up activity, having formed audit teams to do on-site county compliance reviews, beginning with the counties which have higher than normal Coefficients of Deviation and Median Ratios. We have staffed these teams with personnel from our Appraisal staff as well as personnel from the Department of Revenue's Internal Audit staff. Two counties have already been visited. We will make every effort to assist the counties in taking any necessary corrective action.

Again, thank you for the opportunity to appear today, I would be happy to respond to questions which you may have now, or feel free to contact me once you've had a chance to review the material presented.

For Residential Property*
Ranked by 1989 Median Ratio

Attachment 1

1989

1988

County	Rank	1989		Rank	1988		
		(1) Median Ratio	Coefficient of Deviation		(2) Median Ratio	(3) Adjusted Median Ratio	Coefficient of Deviation
Ness	1	128.89	26.09	28	11.81	39.37	77.52
Chase	2	123.09	32.65	44	10.51	35.03	61.31
Jewell	3	121.41	43.14	1	24.02	80.07	177.35
Smith	4	116.56	28.36	3	20.17	67.23	117.24
Hodgeman	5	112.94	10.14	32	11.34	37.80	49.02
Morton	6	112.64	24.03	57	9.82	32.73	71.55
Wilson	7	110.00	26.66	14	13.35	44.50	69.11
Washington	8	108.62	31.15	7	15.92	53.07	71.67
Logan	9	108.55	17.68	51	10.09	33.63	67.17
Republic	10	106.73	27.22	2	23.20	77.33	92.30
Coffey	11	106.50	23.92	79	8.70	29.00	79.59
Barber	12	106.16	21.58	31	11.53	38.43	62.92
Wallace	13	105.77	11.76	22	12.26	40.87	84.14
Allen	14	105.33	19.93	41	10.58	35.27	61.57
Meade	15	104.81	23.52	42	10.54	35.13	61.52
Rush	16	104.13	15.83	6	16.50	55.00	70.06
Scott	17	103.75	27.10	89	8.09	26.97	60.51
Marion	18	103.60	21.65	67	9.26	30.87	64.86
Russell	19	103.21	22.92	58	9.79	32.63	53.88
Barton	20	103.19	17.12	33	11.31	37.70	63.07
Lyon	21	102.98	20.83	52	10.03	33.43	27.80
Osborne	22	102.93	29.64	4	17.56	58.53	150.61
Cloud	23	102.78	16.50	8	15.20	50.67	65.52
Harper	24	102.50	21.73	40	10.61	35.37	68.13
Kingman	25	102.48	14.03	88	8.17	27.23	56.25
Bourbon	26	102.29	24.29	47	10.37	34.57	55.50
McPherson	27	101.78	16.06	74	8.87	29.57	44.96
Rice	28	101.63	24.39	25	12.00	40.00	95.42
Ellsworth	29	101.51	23.36	61	9.58	31.93	91.15
Stevens	30	101.32	6.16	86	8.25	27.50	64.55
Labette	31	101.27	27.61	49	10.29	34.30	71.85

* Residential Property Classes for 1988 and 1989 are not directly comparable. The 1988 figures include vacant lots which are a separate classification in 1989; an 1989 figures include mobile homes and some other properties which were considered commercial in the 1988 study.

1. The 1989 Median Ratio compares selling price to full appraised value.
2. The 1988 Median Ratio compares selling price to assessed value.
3. The 1988 Median Ratio was divided by .30 to provide a more direct comparison with the 1989 Median Ratio.

2-
B

**For Residential Property*
Ranked by 1989 Median Ratio**

Attachment 1

<u>1989</u>				<u>1988</u>			
County	Rank	(1) Median Ratio	Coefficient of Deviation	Rank	(2) Median Ratio	(3) Adjusted Median Ratio	Coefficient of Deviation
Linn	32	101.23	30.59	104	6.25	20.83	89.76
Edwards	33	101.18	33.51	18	12.87	42.90	98.82
Ford	34	100.86	11.76	77	8.77	29.23	26.99
Rawlins	35	100.63	15.84	81	8.53	28.43	126.75
Shawnee	36	100.53	12.33	96	7.36	24.53	30.54
Reno	37	100.38	8.36	37	10.93	36.43	53.32
Woodson	38	100.29	17.11	21	12.52	41.73	59.95
Geary	39	100.24	13.40	70	9.15	30.50	37.04
Mitchell	40	100.00	36.31	16	13.10	43.67	59.21
Wyandotte	41	100.00	8.62	92	7.78	25.93	66.24
Seward	42	99.86	11.32	90	8.04	26.80	33.29
Jefferson	43	99.75	16.34	82	8.48	28.27	82.00
Sheridan	44	99.75	26.43	87	8.24	27.47	72.31
Leavenworth	45	99.57	13.68	102	6.91	23.03	37.77
Sherman	46	99.52	11.86	12	13.60	45.33	46.54
Stanton	47	99.33	5.80	62	9.51	31.70	54.42
Ottawa	48	99.29	19.95	30	11.66	38.87	84.68
Gray	49	99.27	13.69	53	10.00	33.33	42.40
Lane	50	99.21	4.95	19	12.81	42.70	54.91
Saline	51	99.03	20.54	91	7.80	26.00	25.09
Douglas	52	98.89	12.95	97	7.22	24.07	30.45
Nemaha	53	98.86	25.73	65	9.38	31.27	67.13
Thomas	54	98.73	11.64	76	8.78	29.27	31.64
Ellis	55	98.68	14.22	98	7.16	23.87	40.88
Johnson	56	98.67	13.53	105	6.14	20.47	24.41
Brown	57	98.40	30.79	23	12.18	40.60	58.04
Montgomery	58	98.31	17.58	36	11.00	36.67	86.72
Osage	59	98.29	13.41	59	9.72	32.40	69.91
Wichita	60	98.19	12.31	13	13.41	44.70	47.05
Marshall	61	98.18	35.51	15	13.27	44.23	93.29
Atchison	62	98.04	17.89	38	10.72	35.73	53.82

* Residential Property Classes for 1988 and 1989 are not directly comparable. The 1988 figures include vacant lots which are a separate classification in 1989; an 1989 figures include mobile homes and some other properties which were considered commercial in the 1988 study.

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3. The 1988 Median Ratio was divided by .30 to provide a more direct comparison with the 1989 Median Ratio.

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For Residential Property*
Ranked by 1989 Median Ratio

Attachment 1

<u>1989</u>				<u>1988</u>			
County	Rank	(1) Median Ratio	Coefficient of Deviation	Rank	(2) Median Ratio	(3) Adjusted Median Ratio	Coefficient of Deviation
Cowley	63	98.01	17.09	66	9.27	30.90	34.72
Dickinson	64	97.97	16.12	75	8.86	29.53	52.47
Franklin	65	97.86	11.97	84	8.45	28.17	49.43
Anderson	66	97.84	20.35	39	10.65	35.50	52.39
Clay	67	97.78	24.00	60	9.71	32.37	59.10
Cherokee	68	97.78	31.58	63	9.45	31.50	58.04
Crawford	69	97.64	18.49	83	8.46	28.20	86.12
Greeley	70	97.61	6.40	20	12.55	41.83	82.62
Harvey	71	97.59	13.26	78	8.75	29.17	30.61
Cheyenne	72	97.57	27.59	43	10.53	35.10	65.52
Flinney	73	97.50	11.70	48	10.31	34.37	29.96
Pratt	74	97.46	15.66	54	10.00	33.33	49.50
Morris	75	97.36	15.55	93	7.66	25.53	77.32
Butler	76	97.23	11.69	85	8.27	27.57	56.54
Gove	77	97.21	15.73	5	16.73	55.77	49.79
Pawnee	78	97.20	25.83	46	10.38	34.60	64.35
Miami	79	97.20	21.30	100	7.01	23.37	49.73
Sumner	80	97.20	33.39	103	6.60	22.00	80.40
Stafford	81	97.14	16.79	27	11.83	39.43	131.66
Kearny	82	97.13	8.85	101	6.95	23.17	29.34
Kiowa	83	97.10	13.94	35	11.16	37.20	84.89
Hamilton	84	97.00	7.06	64	9.38	31.27	54.57
Clark	85	96.97	16.07	55	9.98	33.27	93.72
Haskell	86	96.76	17.47	71	9.13	30.43	35.03
Wabaunsee	87	96.33	15.09	99	7.14	23.80	71.28
Decatur	88	95.68	23.57	56	9.96	33.20	84.37
Pottawatomie	89	95.34	11.21	95	7.44	24.80	50.77
Phillips	90	95.28	25.50	10	13.91	46.37	85.17
Jackson	91	95.17	18.82	72	9.09	30.30	45.61
Lincoln	92	95.00	30.01	9	15.08	50.27	133.43
Grant	93	94.38	9.09	80	8.67	28.90	25.48

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B
-3

**For Residential Property*
Ranked by 1989 Median Ratio**

Attachment 1

1989

1988

County	Rank	1989		1988			
		(1) Median Ratio	Coefficient of Deviation	Rank	(2) Median Ratio	(3) Adjusted Median Ratio	Coefficient of Deviation
Riley	94	94.35	9.88	68	9.20	30.67	28.80
Doniphan	95	94.33	25.40	69	9.16	30.53	59.38
Sedgwick	96	93.23	12.43	94	7.57	25.23	36.29
Rooks	97	93.18	25.73	73	8.88	29.60	65.76
Norton	98	92.06	38.96	34	11.17	37.23	102.67
Comanche	99	91.25	15.84	11	13.88	46.27	52.00
Elk	100	91.25	34.89	17	12.90	43.00	73.55
Chautauqua	101	91.03	23.46	45	10.50	35.00	60.76
Neosho	102	90.99	21.81	50	10.24	34.13	41.18
Trego	103	90.13	39.24	26	11.85	39.50	106.34
Greenwood	104	87.78	33.00	24	12.00	40.00	113.08
Graham	105	87.13	37.20	29	11.66	38.87	107.65

* Residential Property Classes for 1988 and 1989 are not directly comparable. The 1988 figures include vacant lots which are a separate classification in 1989; an 1989 figures include mobile homes and some other properties which were considered commercial in the 1988 study.

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2-8-4

**For Vacant Property
Ranked by 1989 Median Ratio**

Attachment 2

1989

County	Rank	Mediar Ratio	Coefficient of Deviation
Bourbon	1	205.56	69.87
Brown	2	200.00	
Gove	3	180.00	
Chase	4	161.11	37.93
Pratt	5	160.00	6.51
Marion	6	147.50	82.88
Wallace	7	146.67	
Ness	8	142.86	35.41
Jewell	9	133.33	41.52
Kiowa	10	133.33	21.67
Mitchell	11	133.33	66.34
Sherman	12	133.33	
Edwards	13	132.78	17.16
Marshall	14	127.54	82.07
Hodgeman	15	125.00	
Ellis	16	121.34	25.29
Coffey	17	120.00	34.25
Russell	18	111.67	13.43
Harper	19	111.43	51.18
Seward	20	111.15	10.67
Wabaunsee	21	110.76	20.38
Greeley	22	110.00	
Chautauqua	23	106.67	8.85
Hamilton	24	106.67	
Sumner	25	105.41	47.03
Sedgwick	26	104.57	37.66
Barton	27	103.73	33.97
Jackson	28	103.33	8.51
Cloud	29	100.00	31.18
Crawford	30	100.00	38.32
Doniphan	31	100.00	37.78
Elk	32	100.00	
Ford	33	100.00	15.50
Graham	34	100.00	
Gray	35	100.00	13.44
Greenwood	36	100.00	13.33
McPherson	37	100.00	24.80
Montgomery	38	100.00	31.57

**For Vacant Property
Ranked by 1989 Median Ratio**

Attachment 2

1989

County	Rank	Mediar Ratio	Coefficient of Deviation
Saline	39	98.21	37.74
Dickinson	40	98.20	62.62
Smith	41	97.65	
Meade	42	97.06	3.03
Thomas	43	97.06	16.63
Wyandotte	44	96.77	43.34
Haskell	45	96.36	
Pottawatomie	46	96.03	30.26
Reno	47	95.33	12.04
Shawnee	48	94.23	28.08
Jefferson	49	92.73	43.91
Rawlins	50	91.72	22.12
Johnson	51	91.20	37.02
Cowley	52	90.92	22.20
Geary	53	90.84	25.34
Clay	54	90.00	35.10
Franklin	55	90.00	23.88
Grant	56	89.81	20.15
Leavenworth	57	89.21	28.02
Lincoln	58	89.21	23.30
Lyon	59	88.69	27.63
Butler	60	88.50	32.29
Trego	61	86.67	
Pawnee	62	86.00	19.38
Cheyenne	63	85.63	
Stanton	64	85.56	6.49
Atchison	65	82.76	32.30
Douglas	66	82.18	47.11
Ottawa	67	82.00	16.97
Finney	68	81.67	55.32
Logan	69	81.25	53.85
Ellsworth	70	80.40	54.15
Riley	71	80.00	30.61
Harvey	72	78.52	37.04
Cherokee	73	76.92	71.45
Stevens	74	75.00	
Osage	75	73.33	34.00
Labette	76	72.50	91.81

**For Vacant Property
Ranked by 1989 Median Ratio**

Attachment 2

1989

County	Rank	Mediar Ratio	Coefficient of Deviation
Nemaha	77	71.33	43.52
Neosho	78	71.15	36.12
Miami	79	63.70	58.28
Anderson	80	63.34	84.21
Wilson	81	57.50	28.99
Osborne	82	57.15	74.99
Allen	83	56.00	77.20
Republic	84	48.15	
Kearny	85	42.82	95.33
Scott	86	40.00	
Morris	87	33.33	
Rush	88	30.00	33.33
Rice	89	28.19	34.94
Barber	90		
Clark	91		
Comanche	92		
Decatur	93		
Kingman	94		
Lane	95		
Linn	96		
Morton	97		
Norton	98		
Phillips	99		
Rooks	100		
Sheridan	101		
Stafford	102		
Washington	103		
Wichita	104		
Woodson	105		

ATT3D

For Other Property*
Ranked by 1989 Median Ratio

Attachment 3

<u>1989</u>				<u>1988</u>			
County	Rank	(1) Median Ratio	Coefficient of Deviation	Rank	(2) Median Ratio	(3) Adjusted Median Ratio	Coefficient of Deviation
Greenwood	1	206.95	54.63	98	7.50	25.00	614.80
Sheridan	2	163.48	37.91	94	7.91	26.37	295.11
Logan	3	152.97	12.07	15	19.39	64.63	50.83
Russell	4	151.55		96	7.76	25.87	126.91
Norton	5	143.85		22	17.48	58.27	67.13
Trego	6	137.76	40.87	54	12.25	40.83	71.21
Meade	7	130.38	24.04	80	9.43	31.43	344.91
Bourbon	8	128.31	13.56	28	16.62	55.40	46.26
Coffey	9	128.30	45.85	26	16.85	56.17	48.07
Wabaunsee	10	126.61	12.04	103	6.77	22.57	110.04
Haskell	11	126.59	7.97	58	11.34	37.80	88.13
Wilson	12	124.25	31.15	19	17.90	59.67	79.40
Harper	13	122.60	22.00	20	17.64	58.80	79.84
Cheyenne	14	119.09		43	13.36	44.53	79.25
Ottawa	15	118.94	16.11	59	11.33	37.77	76.41
Thomas	16	112.00	19.22	82	9.38	31.27	54.33
Atchison	17	111.95	25.28	33	15.71	52.37	70.17
Linn	18	111.00		79	9.44	31.47	169.73
Dickinson	19	110.02	19.57	38	14.90	49.67	53.74
Allen	20	109.67	32.88	40	14.48	48.27	97.51
Washington	21	109.22	17.09	41	14.27	47.57	146.60
Gove	22	109.00		24	16.92	56.40	42.53
Cowley	23	107.33	29.39	46	13.17	43.90	41.74
Sherman	24	106.80	13.95	60	11.26	37.53	47.12
Harvey	25	106.73	39.80	51	12.51	41.70	37.62
Barber	26	105.83		77	9.50	31.67	38.61
Nemaha	27	105.56	18.41	86	9.28	30.93	62.89
McPherson	28	104.41	25.73	67	10.47	34.90	76.15
Crawford	29	104.30	17.83	91	8.20	27.33	84.74
Doniphan	30	104.24	8.24	30	16.01	53.37	54.21
Stevens	31	104.00		36	15.00	50.00	107.00
Ford	32	104.00	3.98	100	7.23	24.10	90.65
Stanton	33	103.93	1.47	89	8.64	28.80	55.78

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3. The 1988 Median Ratio was divided by .30 to provide a more direct comparison with the 1989 Median Ratio.

3-
D

For Other Property*
Ranked by 1989 Median Ratio

Attachment 3

1989

1988

County	Rank	(1)		Rank	(2)		(3)	
		Median Ratio	Coefficient of Deviation		Median Ratio	Adjusted Median Ratio	Coefficient of Deviation	
Ellis	34	103.50	11.24	49	12.81	42.70	58.04	
Jefferson	35	103.17	17.85	70	10.40	34.67	98.84	
Rawlins	36	103.16	9.25	25	16.90	56.33	44.06	
Greeley	37	103.04	5.66	17	18.38	61.27	46.12	
Morris	38	103.02	25.10	65	10.60	35.33	149.63	
Butler	39	102.33	8.08	56	11.45	38.17	66.80	
Franklin	40	102.11	3.09	63	10.80	36.00	96.94	
Decatur	41	102.00		57	11.43	38.10	116.13	
Marion	42	102.00		83	9.37	31.23	63.55	
Barton	43	101.90	21.50	53	12.33	41.10	98.52	
Sumner	44	101.33	21.38	93	8.06	26.87	115.63	
Graham	45	101.11		64	10.80	36.00	48.88	
Chase	46	100.67	6.98	101	6.88	22.93	174.43	
Shawnee	47	100.42	12.71	90	8.50	28.33	52.08	
Lincoln	48	100.00	52.57	3	29.85	99.50	60.85	
Mitchell	49	100.00	23.61	9	22.40	74.67	101.25	
Hodgeman	50	100.00	42.80	32	15.87	52.90	41.31	
Wyandotte	51	100.00	18.65	69	10.42	34.73	83.32	
Sedgwick	52	100.00	14.06	71	10.35	34.50	48.46	
Lyon	53	99.82	24.37	62	10.83	36.10	69.20	
Reno	54	99.69	28.44	21	17.52	58.40	82.46	
Douglas	55	99.50	31.09	97	7.51	25.03	43.78	
Saline	56	99.48	18.73	78	9.47	31.57	53.82	
Osborne	57	99.25	19.89	7	23.83	79.43	58.45	
Miami	58	98.70	10.34	84	9.33	31.10	71.57	
Hamilton	59	98.64	0.83	16	18.77	62.57	38.78	
Cherokee	60	98.51	37.95	48	12.98	43.27	72.33	
Comanche	61	97.50		10	21.73	72.43	135.11	
Edwards	62	97.50	2.56	76	9.80	32.67	68.06	
Finney	63	97.35	21.13	31	15.98	53.27	40.61	
Pottawatomie	64	96.84	6.80	92	8.15	27.17	59.22	
Grant	65	96.83	1.17	102	6.84	22.80	109.48	
Clark	66	96.43	15.14	2	35.03	116.77	236.97	

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2-2-2

For Other Property*
Ranked by 1989 Median Ratio

Attachment 3

1989

1988

County	Rank	(1)		Rank	(2)		(3)	
		Median Ratio	Coefficient of Deviation		Median Ratio	Adjusted Median Ratio	Coefficient of Deviation	
Seward	67	96.19	6.16	75	9.98	33.27	36.94	
Cloud	68	96.00	21.90	8	22.45	74.83	48.27	
Scott	69	95.63		87	8.94	29.80	62.39	
Leavenworth	70	95.44	16.31	99	7.25	24.17	68.96	
Rush	71	94.69	37.61	14	20.00	66.67	37.65	
Geary	72	93.80	25.80	95	7.87	26.23	80.61	
Riley	73	93.25	16.44	55	11.96	39.87	42.63	
Elk	74	93.15	52.45	50	12.69	42.30	116.08	
Osage	75	93.11	32.58	34	15.67	52.23	32.60	
Kearny	76	92.78		81	9.42	31.40	64.41	
Smith	77	89.66	11.80	5	26.31	87.70	332.80	
Marshall	78	89.17	36.61	4	29.60	98.67	63.43	
Jackson	79	88.70	12.22	88	8.78	29.27	99.11	
Morton	80	88.47	12.50	85	9.33	31.10	102.63	
Pratt	81	88.13	31.99	29	16.25	54.17	39.50	
Republic	82	86.88	44.74	12	20.88	69.60	67.57	
Rice	83	84.58	29.08	66	10.50	35.00	77.60	
Neosho	84	84.00	26.24	39	14.81	49.37	40.36	
Johnson	85	81.60	34.61	105	5.09	16.97	61.24	
Clay	86	80.91	15.44	23	17.01	56.70	43.07	
Montgomery	87	80.86	14.76	68	10.47	34.90	134.60	
Labette	88	79.29	24.73	61	11.15	37.17	86.30	
Kiowa	89	66.67		37	14.93	49.77	72.37	
Anderson	90	63.48	27.38	47	13.06	43.53	201.33	
Brown	91			74	10.20	34.00	80.19	
Chautauqua	92			104	5.53	18.43	74.50	
Ellsworth	93			45	13.25	44.17	171.47	
Gray	94			35	15.15	50.50	38.15	
Jewell	95			1	50.00	166.67	144.64	
Kingman	96			72	10.34	34.47	56.53	
Lane	97			44	13.31	44.37	68.21	
Ness	98			42	13.64	45.47	25.13	
Pawnee	99			52	12.41	41.37	46.23	

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3. The 1988 Median Ratio was divided by .30 to provide a more direct comparison with the 1989 Median Ratio.

For Other Property*
Ranked by 1989 Median Ratio

Attachment 3

<u>1989</u>				<u>1988</u>			
County	Rank	(1) Median Ratio	Coefficient of Deviation	Rank	(2) Median Ratio	(3) Adjusted Median Ratio	Coefficient of Deviation
Phillips	100			13	20.76	69.20	226.60
Rooks	101			73	10.23	34.10	482.94
Stafford	102			27	16.66	55.53	176.92
Wallace	103			6	25.44	84.80	152.31
Wichita	104			11	21.43	71.43	41.42
Woodson	105			18	18.26	60.87	48.30

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23-10-1