

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairman Kenny Wilk at 9:00 A.M. on January 19, 2007 in Room 519-S of the Capitol.

All members were present.

Committee staff present:

Chris Courtwright, Legislative Research Department
Martha Dorsey, Legislative Research Department
Gordon Self, Office of the Revisor of Statutes
Richard Cram, Department of Revenue
Rose Marie Glatt, Committee Secretary

Conferees appearing before the committee:

Mike Murray, Embarq
Representative Gordon
Representative Colloton
Representative Mah
Representative Wahl
Representative Carlson
Representative Siegfried
Mark Beck, Director, Property Valuation Department (PVD)
Roger Hamm, Property Appraiser, Property Valuation Department (PVD)
Tony Folsom, Deputy Director, Property Valuation Department (PVD)

Others attending:

See attached list.

The Chairman called for introduction of bills.

Mike Murray, Director of Governmental Affairs, Embarq, requested a bill for a sales tax refund on purchases of telecommunications equipment. Representative Owens moved the introduction, seconded by Representative Wilk. The motion carried.

Representative Gordon requested a bill be introduced that would exempt the Area Agency on Aging. Representative Carlson moved the introduction, seconded by Representative Owens. The motion carried.

Representative Colloton requested a bill for a sales tax exemption for the American Cancer Society. Representative Owens moved the introduction, seconded by Representative Treaster. The motion carried.

Representatives Colloton and Proehl requested an introduction of a bill regarding an exemption for sales tax for all 501-C3. Representative Owens moved the introduction, seconded by Representative Goyle. The motion carried.

Representative Colloton requested the introduction of a Committee bill, that would mirror a bill recently passed in Missouri, that would allow an individual who works in Kansas and gives to a Missouri charity, credit on their income tax. Representative Wilk moved the introduction, seconded by Representative Dillmore. The motion carried.

Representative Mah proposed a bill be introduced that would give tax credit for college tuition in the amount of 10% of the federal tax credit. Representative Holland moved the introduction, seconded by Representative Wilk. The motion carried.

Representative Wahl proposed a bill be introduced that would allow the City of Leawood to use their hotel transient tax to pay off their transportation district bond. Representative Owens moved the introduction, seconded by Representative Dillmore. The motion carried.

Representative Carlson made a motion that a bill be introduced that would authorize Wabaunsee

CONTINUATION SHEET

MINUTES OF THE House Taxation Committee at 9:00 A.M. on January 19, 2007 in Room 519-S of the Capitol.

County to levy a .05 percent additional sales tax specifically for road and bridge use. The motion was seconded by Representative Owens. The motion carried.

On behalf on Secretary Jenkins, Chairman Wilk, made a motion to introduce legislation regarding a deduction from federal adjustment gross income for citizens that make personal savings a priority. It was seconded by Representative Owens. The motion carried.

The Chairman directed attention to **HB 2044**, regarding distributions from the business machinery and equipment and the telecommunications and railroad machinery and equipment tax reduction assistance fund.

Representative Siegfroid made a motion to amend a technical correction into **HB 2044**. It was seconded by Representative Worley (Attachment 1). He explained that the full intent of the Legislature, during the 2006 session, was that the Slider provision was to be measured against the ad valorem taxes, collected by business machinery and equipment at the county level. The proposed amendment clarifies that it goes against commercial and industrial machinery and equipment and not the entire property tax base.

After discussion, Representative Siegfroid closed his motion. The motion carried.

Representative Dillmore moved the House Taxation Committee recommend **HB 2044**, as amended, favorable for passage. Representative Owens seconded the motion. The motion carried.

Chairman Wilk invited Mark Beck to the podium for continuation of a briefing on property tax. Mr. Beck distributed a packet of information, explaining that he would review many of the policies, forms, and data pertaining to property tax, however there was additional information in the packets for their perusal.

He reviewed the following:

1. A section of the Kansas Constitution - Article 11 - Finance and Taxation (Attachment 2). He called attention to the uniformity clause, which acts as a limiter. He gave an explanation of Class 1 that consists of real property and Class 2 consisting of tangible personal property.
2. Sample copy of a Shawnee County 2006 Annual Notice of Value (Attachment 3).
3. An informational brochure, available through KDOR and county appraisers, which provides answers to citizen's common questions (Attachment 4).
4. Sample copy of a Shawnee County 2005 Real Estate Tax Statement (Attachment 5).
5. An excerpt from a study by Dr. Glenn Fisher, Chart 6 - Median Appraisal/Sales Ratio, 1933 - 2004 (Attachment 6).
6. Information on County Tax Base, Property Tax Revenue, and the County Mill Levy Calculation (Attachment 7).
7. Spreadsheets on the 2005 Value and Tax per Capita, by Mill Levy and County (Attachment 8).
8. Samples of 2005 Real and Personal Property Value and Tax Summary for Counties (Attachment 9).

Mr. Beck called attention to three other memorandums: 1) Property Tax Calendar; 2) Memorandum on Valuation of Public Utilities; and 3) Memorandum on Valuation Process (Attachment 10).

Roger Hamm, PVD, gave a brief explanation of the Statute and Overview (Attachment 11). He said the two commonly used valuation standards in ad valorem tax systems, are market value and use value, and he explained the formulas used in compilation. He also explained the Personal Property Classification and Assessment by class and subclass; as well as how personal property is valued and assessed.

CONTINUATION SHEET

MINUTES OF THE House Taxation Committee at 9:00 A.M. on January 19, 2007 in Room 519-S of the Capitol.

Tony Folsom, PVD, briefed the Committee on property tax exemptions. He said that property tax is still the largest, single source of revenue in Kansas and funds local services at the city and county levels. The number of exemptions has increased from approximately 12 in 1967 to more than 70 today and are broken down into eleven categories (Attachment 12). A chart reflecting the Chronology of Constitutional and Statutory Departures from Uniform and Equal Taxation of Property, from 1861 -2006 and a map showing the Total Exempt Value Per County was distributed (Attachment 13).

The meeting was adjourned at 11:20. The next meeting is January 23, 2006.

TAXATION COMMITTEE

DATE: January 19, 2007

NAME	REPRESENTING
Michelle Peterson	Capitol Strategies
STAN FROWN FELTZ	Ks House 31 st Dist
Tom PALACE	PMCA OF KS
Mike Murray	Embargo
Debra Bshars	Sprint/Nextel
MIKE TAYLOR	UNIFIED GOV/WYANDOTE County
ROBERT RICHBY	ME
Kd May	CBM
Erik SARTORIUS	City of Overland Park
Bobyn Houston	K& Motor Carriers Assoc.
John Federico	Federico Consulting
Janie Rose	KACCT
Chris Kabelein	K4A
Derek Hill	Hill Law Firm
LARRY R BAER	LKM
TERRY FORSYTH	KNEA
Ann Mah	State Rep
Ray Wolf	State Rep
Richard Czern	KDOR

TAXATION COMMITTEE

DATE: January 19, 2007

NAME	REPRESENTING
David R. Cobin	KDOR
Bruce Juki	KDOR
Roger Hamm	KDOR
Tony Folsom	KDOR
MARK BECIC	KDOR

HOUSE BILL No. 2044

By Committee on Taxation

1-10

HS TAXATION COMMITTEE
1-19-2007
ATTACHMENT 1

9 AN ACT concerning property taxation; relating to exemptions; certain
10 tax reduction assistance funds, distributions; amending K.S.A. 2006
11 Supp. 79-2978 and 79-2979 and repealing the existing sections.

12
13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. K.S.A. 2006 Supp. 79-2978 is hereby amended to read as
15 follows: 79-2978. (a) There is hereby established in the state treasury the
16 business machinery and equipment tax reduction assistance fund which
17 shall be administered by the state treasurer. All expenditures from the
18 business machinery and equipment tax reduction assistance fund shall be
19 for the payments to counties for distribution to taxing subdivisions levying
20 ad valorem taxes within the county in accordance with this section.

21 (b) The secretary of revenue shall adopt a policy using the most cur-
22 rent information that is available, and that is determined to be practicable
23 by the secretary for this purpose and shall calculate the following:

24 (1) On January 31, 2008, the secretary shall calculate for each county
25 an amount equal to the difference in total ad valorem taxes levied by the
26 county for all taxing subdivisions within the county imposing ad valorem
27 taxes on commercial and industrial machinery and equipment for tax year
28 2005, and the total of such ad valorem taxes levied for tax year 2007. On
29 or before February 15, 2008, subject to the provisions of subsection (c),
30 the state treasurer shall pay to the county treasurer of each county an
31 amount equal to 90% of such difference for distribution as provided in
32 subsection (d).

33 (2) On January 31, 2009, the secretary shall calculate for each county
34 an amount equal to the difference in total ad valorem taxes levied by the
35 county for all taxing subdivisions within the county imposing ad valorem
36 taxes on commercial and industrial machinery and equipment for tax year
37 2005, and the total of such ad valorem taxes levied for tax year 2008. On
38 or before February 15, 2009, subject to the provisions of subsection (c),
39 the state treasurer shall pay to the county treasurer of each county an
40 amount equal to 70% of such difference for distribution as provided in
41 subsection (d).

42 (3) On January 31, 2010, the secretary shall calculate for each county
43 an amount equal to the difference in total ad valorem taxes levied by the

for commercial and industrial machinery and equipment

1-2

1 county for all taxing subdivisions within the county imposing ad valorem
 2 taxes on commercial and industrial machinery and equipment for tax year
 3 2005, and the total of such ad valorem taxes levied for tax year 2009. On
 4 or before February 15, 2010, subject to the provisions of subsection (c),
 5 the state treasurer shall pay to the county treasurer of each county an
 6 amount equal to 50% of such difference for distribution as provided in
 7 subsection (d).

8 (4) On January 31, 2011, the secretary shall calculate for each county
 9 an amount equal to the difference in total ad valorem taxes levied by the
 10 county for all taxing subdivisions within the county imposing ad valorem
 11 taxes on commercial and industrial machinery and equipment for tax year
 12 2005, and the total of such ad valorem taxes levied for tax year 2010. On
 13 or before February 15, 2011, subject to the provisions of subsection (c),
 14 the state treasurer shall pay to the county treasurer of each county an
 15 amount equal to 30% of such difference for distribution as provided in
 16 subsection (d).

17 (5) On January 31, 2012, the secretary shall calculate for each county
 18 an amount equal to the difference in total ad valorem taxes levied by the
 19 county for all taxing subdivisions within the county imposing ad valorem
 20 taxes on commercial and industrial machinery and equipment for tax year
 21 2005, and the total of such ad valorem taxes levied for tax year 2011. On
 22 or before February 15, 2012, subject to the provisions of subsection (c),
 23 the state treasurer shall pay to the county treasurer of each county an
 24 amount equal to 10% of such difference for distribution as provided in
 25 subsection (d).

26 (6) There shall be no payments made pursuant to this section after
 27 the payments made by the state treasurer on or before February 15, 2012,
 28 and the provisions of this section shall expire at such time.

29 (c) *The calculations required by subsection (b) shall be based upon a*
 30 *certification made by the county clerk on or before November 15 of the*
 31 *tax year and submitted to the director of property valuation. Such certi-*
 32 *fication shall be in a format devised and prescribed by the director of*
 33 *property valuation. Such certification shall report the total ad valorem*
 34 *taxes levied by the county for all taxing subdivisions within the county*
 35 *imposing ad valorem taxes on commercial and industrial machinery and*
 36 *equipment. The county clerk shall provide a copy of such certification to*
 37 *the county treasurer for the purpose of determining the distribution of*
 38 *moneys pursuant to the provisions of subsection (e)(2) paid to the county*
 39 *pursuant to subsection (b) by the state treasurer.*

40 (d) If the amount calculated for the difference in subsections (b)(1)
 41 through (b)(5) is negative, the amount calculated for such county for such
 42 year shall be deemed to be zero and no amount shall be paid to the county
 43 treasurer of such county as otherwise provided in subsection (b). Nothing

for commercial and industrial machinery and equipment

1 in this section shall be construed to require the county to make any pay-
2 ments to the state in such event that the amount calculated for the dif-
3 ference is negative for the county for such year.

4 ~~(d)~~ (e) (1) On January 31 of each year specified in this section, the
5 secretary of revenue shall certify to the director of accounts and reports
6 the aggregate of all amounts determined for counties pursuant to sub-
7 section (b). Upon receipt of such certification, the director of accounts
8 and reports shall transfer the amount certified from the state general fund
9 to the business machinery and equipment tax reduction assistance fund.

10 (2) The state treasurer shall apportion and distribute the moneys
11 credited to the business machinery and equipment tax reduction assis-
12 tance fund to the county treasurers in accordance with subsection (b).
13 Upon receipt of each such amount, each county treasurer shall apportion
14 such amount among the ad valorem taxing subdivisions *imposing ad va-*
15 *lorem taxes on commercial and industrial machinery and equipment* in
16 the same proportion that the amount of the ~~total mill levy of each indi-~~
17 ~~vidual taxing subdivision for the preceding tax year bears to the aggregate~~
18 ~~of such levies of all the taxing subdivisions among which the apportion-~~
19 ~~ment is to be made~~ *difference in total ad valorem taxes levied by such ad*
20 *valorem taxing subdivision for the tax year 2005 and total ad valorem*
21 *taxes levied by such ad valorem taxing subdivision for the tax year of the*
22 *apportionment bears to the total amount calculated for that county pur-*
23 *suant to the provisions of subsection (b) for the tax year of the apportion-*
24 *ment of such moneys to that county.* The county treasurer shall pay such
25 amounts to the taxing subdivisions at the same time or times as their
26 regular operating tax rate mill levy is paid to them.

for commercial and industrial machinery and equipment

27 ~~(e)~~ (f) Before January 31 of 2007 through 2013, the secretary of rev-
28 enue shall make a detailed report of amounts calculated as required pur-
29 suant to subsection (b) for each individual county and in aggregate for all
30 the counties for the current year along with any projections for future
31 years, amounts distributed to the counties pursuant to this section, and
32 all other relevant information related to the provisions of this section, and
33 shall present such report before such date to the house committee on
34 taxation of the house of representatives and the senate committee on
35 assessment and taxation of the senate for consideration by the legislature
36 in making any appropriate adjustments to the provisions of this section.

37 Sec. 2. K.S.A. 2006 Supp. 79-2979 is hereby amended to read as
38 follows: 79-2979. (a) There is hereby established in the state treasury the
39 telecommunications and railroad machinery and equipment tax reduction
40 assistance fund which shall be administered by the state treasurer. All
41 expenditures from the telecommunications and railroad machinery and
42 equipment tax reduction assistance fund shall be for the payments to
43 counties for distribution to taxing subdivisions levying ad valorem taxes

1 within the county in accordance with this section.

2 (b) The secretary of revenue shall adopt a policy using the most cur-
3 rent information that is available, and that is determined to be practicable
4 by the secretary for this purpose and shall calculate the following:

5 (1) On January 31, 2008, the secretary shall calculate for each county
6 an amount equal to the difference in total ad valorem taxes levied by the
7 county for all taxing subdivisions within the county imposing ad valorem
8 taxes on telecommunications machinery and equipment and railroad ma-
9 chinery and equipment for tax year 2005, and the total of such ad valorem
10 taxes levied for tax year 2007. On or before February 15, 2008, subject
11 to the provisions of subsection (c), the state treasurer shall pay to the
12 county treasurer of each county an amount equal to 90% of such differ-
13 ence for distribution as provided in subsection (d).

14 (2) On January 31, 2009, the secretary shall calculate for each county
15 an amount equal to the difference in total ad valorem taxes levied by the
16 county for all taxing subdivisions within the county imposing ad valorem
17 taxes on telecommunications machinery and equipment and railroad ma-
18 chinery and equipment for tax year 2005, and the total of such ad valorem
19 taxes levied for tax year 2008. On or before February 15, 2009, subject
20 to the provisions of subsection (c), the state treasurer shall pay to the
21 county treasurer of each county an amount equal to 70% of such differ-
22 ence for distribution as provided in subsection (d).

23 (3) On January 31, 2010, the secretary shall calculate for each county
24 an amount equal to the difference in total ad valorem taxes levied by the
25 county for all taxing subdivisions within the county imposing ad valorem
26 taxes on telecommunications machinery and equipment and railroad ma-
27 chinery and equipment for tax year 2005, and the total of such ad valorem
28 taxes levied for tax year 2009. On or before February 15, 2010, subject
29 to the provisions of subsection (c), the state treasurer shall pay to the
30 county treasurer of each county an amount equal to 50% of such differ-
31 ence for distribution as provided in subsection (d).

32 (4) On January 31, 2011, the secretary shall calculate for each county
33 an amount equal to the difference in total ad valorem taxes levied by the
34 county for all taxing subdivisions within the county imposing ad valorem
35 taxes on telecommunications machinery and equipment and railroad ma-
36 chinery and equipment for tax year 2005, and the total of such ad valorem
37 taxes levied for tax year 2010. On or before February 15, 2011, subject
38 to the provisions of subsection (c), the state treasurer shall pay to the
39 county treasurer of each county an amount equal to 30% of such differ-
40 ence for distribution as provided in subsection (d).

41 (5) On January 31, 2012, the secretary shall calculate for each county
42 an amount equal to the difference in total ad valorem taxes levied by the
43 county for all taxing subdivisions within the county imposing ad valorem

on telecommunications machinery and equipment and railroad machinery
and equipment

1 taxes on telecommunications machinery and equipment and railroad ma-
 2 chinery and equipment for tax year 2005, and the total of such ad valorem
 3 taxes levied for tax year 2011. On or before February 15, 2012, subject
 4 to the provisions of subsection (c), the state treasurer shall pay to the
 5 county treasurer of each county an amount equal to 10% of such differ-
 6 ence for distribution as provided in subsection (d).

7 (6) There shall be no payments made pursuant to this section after
 8 the payments made by the state treasurer on or before February 15, 2012,
 9 and the provisions of this section shall expire at such time.

10 (c) If the amount calculated for the difference in subsections (b)(1)
 11 through (b)(5) is negative, the amount calculated for such county for such
 12 year shall be deemed to be zero and no amount shall be paid to the county
 13 treasurer of such county as otherwise provided in subsection (b). Nothing
 14 in this section shall be construed to require the county to make any pay-
 15 ments to the state in such event that the amount calculated for the dif-
 16 ference is negative for the county for such year.

17 (d) (1) On January 31 of each year specified in this section, the sec-
 18 retary of revenue shall certify to the director of accounts and reports the
 19 aggregate of all amounts determined for counties pursuant to subsection
 20 (b). Upon receipt of such certification, the director of accounts and re-
 21 ports shall transfer the amount certified from the state general fund to
 22 the telecommunications and railroad machinery and equipment tax re-
 23 duction assistance fund.

24 (2) The state treasurer shall apportion and distribute the moneys
 25 credited to the telecommunications and railroad machinery and equip-
 26 ment tax reduction assistance fund to the county treasurers in accordance
 27 with subsection (b). Upon receipt of each such amount, each county trea-
 28 surer shall apportion such amount among the ad valorem taxing subdivi-
 29 sions *imposing ad valorem taxes on telecommunications machinery and*
 30 *equipment and railroad machinery and equipment* in the same proportion
 31 that the amount of the ~~total mill levy of each individual taxing subdivision~~
 32 ~~for the preceding tax year bears to the aggregate of such levies of all the~~
 33 ~~taxing subdivisions among which the apportionment is to be made differ-~~
 34 ~~ence in total ad valorem taxes levied by such ad valorem taxing subdivision~~
 35 ~~for the tax year 2005 and total ad valorem taxes levied by such ad valorem~~
 36 ~~taxing subdivision for the tax year of the apportionment bears to the total~~
 37 ~~amount calculated for that county pursuant to the provisions of subsection~~
 38 ~~(b) for the tax year of the apportionment of such moneys to that county.~~
 39 The county treasurer shall pay such amounts to the taxing subdivisions at
 40 the same time or times as their regular operating tax rate mill levy is paid
 41 to them.

on telecommunications machinery and equipment and railroad machinery
 and equipment

42 (e) Before January 31 of 2007 through 2013, the secretary of revenue
 43 shall make a detailed report of amounts calculated as required pursuant

1 to subsection (b) for each individual county and in aggregate for all the
2 counties for the current year along with any projections for future years,
3 amounts distributed to the counties pursuant to this section, and all other
4 relevant information related to the provisions of this section, and shall
5 present such report before such date to the house committee on taxation
6 of the house of representatives and the senate committee on assessment
7 and taxation of the senate for consideration by the legislature in making
8 any appropriate adjustments to the provisions of this section.

9 Sec. 3. K.S.A. 2006 Supp. 79-2978 and 79-2979 are hereby repealed.

10 Sec. 4. This act shall take effect and be in force from and after its
11 publication in the Kansas register.

*
CONSTITUTION OF THE STATE OF KANSAS
ARTICLE 11.--FINANCE AND TAXATION
*

§ 1. System of taxation; classification; exemption.

(a) The provisions of this subsection shall govern the assessment and taxation of property on and after January 1, 1993, 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 legislature may provide for the classification and the taxation uniformly as to class of recreational vehicles, as defined by the legislature, or may exempt such class from property taxation and impose taxes upon another basis in lieu thereof. The provisions of this subsection 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 seven 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:

- (1) Real property used for residential purposes including multi-family residential real property and real property necessary to accommodate a residential community of mobile or manufactured homes including the real property upon which such homes are located 11 1/2%
- (2) Land devoted to agricultural use which shall be valued upon the basis of its agricultural income or agricultural productivity pursuant to section 12 of article 11 of the constitution 30%
- (3) Vacant lots 12%
- (4) Real property which is owned and operated by a not-for-profit organization not subject to federal income taxation pursuant to section 501 of the federal internal revenue code, and which is included in this subclass by law 12%
- (5) Public utility real property, except railroad real property which shall be assessed at the average rate that all other commercial and industrial property is assessed 33%
- (6) Real property used for commercial and industrial purposes and buildings and other improvements located upon land devoted to agricultural use 25%
- (7) 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:

- (1) Mobile homes used for residential purposes 11 1/2%
- (2) Mineral leasehold interests except oil leasehold interests the average daily production from which is five barrels or less, and natural gas leasehold interests the average daily production from which is 100 mcf or less, which shall be assessed at 25% 30%
- (3) Public utility tangible personal property including inventories thereof, except railroad personal property including inventories thereof, which shall be assessed at the average rate all other commercial and industrial property is assessed 33%
- (4) All categories of motor vehicles not defined and specifically valued and taxed pursuant to law enacted prior to January 1, 1985 30%
- (5) Commercial and industrial machinery and equipment which, if its economic life is seven years or more, shall be valued at its retail cost when new less seven-year straight-line depreciation, or which, if its economic life is less than seven years, shall be valued at its retail cost when new less straight-line depreciation over its economic life, except that, the value so obtained for such property, notwithstanding its economic life and as long as such property is being used, shall not be less than 20% of the retail cost when new of such property 25%
- (6) All other tangible personal property not otherwise specifically classified 30%

(b) All property used exclusively for state, county, municipal, literary, educational, scientific, religious, benevolent and charitable purposes, farm machinery and equipment, merchants' and manufacturers' inventories, other than public utility inventories included in subclass (3) of class 2, 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; L. 1992, ch. 342, § 1; Nov. 3, 1992.



SHAWNEE COUNTY APPRAISER'S OFFICE
 1515 NW Saline Street, Suite 100
 Topeka, KS 66618-2838

Date Mailed: March 3, 2006 Appeal Deadline: April 3, 2006
--

Visit our website: www.co.shawnee.ks.us

2006 ANNUAL NOTICE OF VALUE--THIS IS NOT A TAX BILL

Property Owner:

████████████████████
 ████████████████████
 TOPEKA, KS 66614-5606
 |||||

Property Address:

████████████████████

Property Description:

██

NBHD 190.6
 MODEL 1
 LAND USE 111

Parcel Number:
 1430802003009000

Current and prior values assigned by the county appraiser to the above property:

2005 VALUATION		
Classification	Appraised Value	Assessed Value
R	172,800	19,873
TOTAL	172,800	19,873

2006 VALUATION		
Classification	Appraised Value	Assessed Value
R	180,400	20,747
TOTAL	180,400	20,747

Note: According to Kansas law, property must be valued at its "fair market value" as it exists on January 1 each year, except for land devoted to agricultural use which is appraised at its "use value," not "market value."

Valuation History for Your Property*

Year	Appraised Value	Year	Appraised Value
2003	161,300	2004	167,800

**Valuation History" is provided only for properties that have had the same classification since 2003.

Listed below are the sales we considered in the valuation of your property. More detail to these properties may be found on our website:
www.co.shawnee.ks.us

Addresses and Identification Numbers of Properties	Sale Date	Actual Sale Price
06546 SW 24TH CT 143-080-20-03-027.000	07/2005	177,900
06400 SW 23RD ST 143-080-20-06-021.000	09/2005	182,000
06529 SW 23RD CT 143-080-20-03-015.000	04/2004	165,000
06423 SW 23RD ST 143-080-20-05-004.010	05/2004	196,000
06401 SW 23RD ST 143-080-20-05-001.000	08/2004	185,000

Real property is classified & assessed at a percentage of appraised value		
Classification	Description	Assessment Rate
R	Residential use including apartments and condominiums	11.5%
F	Residences on farm homesites	11.5%
A	Land devoted to agricultural use	30.0%
A	Improvements on land devoted to agricultural use	25.0%
V	Vacant lots	12.0%
N	Real property owned and operated by not-for-profit organizations	12.0%
C	Real property used for commercial or industrial purposes	25.0%
O	All other rural and urban real property	30.0%
U	Public utility real property	33.0%
E	Exempt property	—

"A Guide to the Property Tax Appeals Process in Kansas"
 published by the Kansas Division of Property Valuation
 is available without charge at the Appraiser's Office,
 or the PVD website,
www.ksrevenue.org/pvdappeals.htm

HS TAXATION COMMITTEE
1-19-2007
ATTACHMENT 3

Please see the reverse side for additional information on app

APPEAL PROCESS – PLEASE READ THE FOLLOWING

Have the right to appeal the appraised value and the classification (the use) assigned to your property. Each year is a new valuation. If you have an appeal pending for the prior tax year, to preserve your rights for the current tax year, you must appeal the current year's valuation. A result of an appeal in one year or a prior tax year may not affect a subsequent tax year. Should you decide to appeal, follow these instructions. Please note the filing deadline: April 3rd, 2006.

1. You may ask questions or schedule an informal appeal by calling the taxpayer service number 785-232-4461.
2. If you want to schedule an informal hearing on the valuation and/or classification of your property by mail, please mail this form to the appraiser's office. To be a valid appeal, this form must be postmarked on or before April 3rd, 2006. On receipt of this form, you will receive a confirmation letter stating the date and time of the hearing to be sent to you at the address shown on the front of this form (unless you have indicated a different address below), in advance of your scheduled hearing.
3. If you plan to be represented by someone other than yourself, you must file a "Declaration of Representative" form with the appraiser's office prior to the date of the hearing. An immediate family member or attorney may represent you without filing a declaration. To obtain the representative form, contact the appraiser's office or visit our website.
4. All informal hearings will be conducted prior to May 15, 2006. Results of the hearing stating the county's final determination will be sent to you by mail no later than May 20, 2006.
5. For more property information visit our website, www.co.shawnee.ks.us.

2006 INFORMAL APPEAL FORM

NOTICE OF APPEAL	INSTRUCTIONS FOR APPEALING: ONE APPLICATION PER PROPERTY Print your name and address. List telephone numbers where you can be reached during the daytime hours. State reason for your appeal. List your estimate of value. Sign and date form. Mail the appeal form. THIS FORM MUST BE POSTMARKED ON OR BEFORE April 3rd, 2006. The county will send a confirmation letter of the date and time of the informal hearing prior to the scheduled date.		RETURN THIS NOTICE TO: Shawnee Co. Appraiser's Office 1515 NW Saline Topeka, Kansas 66618-2838
1. OWNER'S NAME AND ADDRESS	Last Name: _____ First Name: _____ Telephone number: _____ Work: (____) _____-_____ Home: (____) _____-_____ <input type="checkbox"/> CHECK THIS BOX IF YOUR MAILING ADDRESS HAS CHANGED FROM THE ONE SHOWN ON THIS FORM. Change will not correct permanent records. To change permanent records, contact the Shawnee Co. Clerk's Office (785) 233-82____		
2. REPRESENTATIVE	Name of Representative or Attorney (If Applicable): _____ Address: _____ (If applicable a Declaration of Representative form MUST be filed before the hearing can take place)		
3. PARCEL IDENTIFICATION NUMBER	Parcel Number: 1430802003009000		
4: INDICATE (A) TYPE, (B) UNAVAILABLE DATES FOR HEARING	(A) Type of Hearing: (check one) <input type="checkbox"/> IN PERSON (you come to our office) -----OR----- <input type="checkbox"/> TELEPHONE (we call you) Indicate telephone number to be used for telephone hearing: (____) _____-____	(B) List UNAVAILABLE dates: If possible we avoid scheduling these dates. (All informal hearings will be conducted prior to May 15, 2006)	
5: CHECK REASON FOR APPEAL	<input type="checkbox"/> Value is over market value <input type="checkbox"/> Value is unequal compared with other like properties <input type="checkbox"/> Agricultural Use <input type="checkbox"/> Classification <input type="checkbox"/> Other		
6: OWNER'S ESTIMATE OF VALUE	Owner's Estimate of Value: _____ Basis of Estimate: _____		
7: SIGN AND DATE	Owner's or Representative/Attorney's Signature: _____		Date _____

IF YOU CHOOSE TO SCHEDULE YOUR INFORMAL HEARING BY MAIL, PLEASE RETURN THIS FORM TO THE APPRAISER'S OFFICE. RETAIN A COPY FOR YOUR RECORDS.

Deal your informal hearing results directly to BOTA, if your property is not a single-family residential property.

To appeal, file the proper form with BOTA within 30 days from the date you were mailed notice of (a) the Small Claims Division decision or (b) the county appraiser's informal meeting results. *Again, the appeal form should be part of the notice. Contact your county clerk or appraiser for the appeal form if necessary.*

Appealing by Paying Under Protest

The second opportunity you have to appeal is when you receive your tax statement (usually in November). If you did not appeal the notice of your property's value in the Spring, you may later pay under protest. This is done by filing a payment under protest form with the county treasurer when you pay your taxes. Whether you pay half or all of your tax, you must file by **December 20**. If your taxes are paid in half or in full by an escrow or tax service agent on or before December 20, you have until January 31 of the next year to file.

Informal Meeting: The first step in the appeals process is an informal meeting with the county appraiser. At the informal meeting, the county appraiser will provide you with documentation supporting his or her value. It is also

your opportunity to explain why you believe the county's value is incorrect.

Small Claims Division: If you decide to appeal the informal meeting results, you **must** appeal to Small Claims before proceeding to BOTA if your property is a single-family residential property.

You **may** appeal to the Small Claims Division if (a) the property is a residential property other than a single-family residence; or (b) the property has a value below \$2 million and is not agricultural land.

To appeal, file the proper form with BOTA within 30 days from the date the county mailed your notice of informal meeting results. *The appeal form should be part of the notice. Contact your county treasurer or appraiser for the appeal form if necessary.*

Board of Tax Appeals (BOTA): If you decide to appeal a Small Claims decision, you may appeal to BOTA. You may also appeal your informal hearing results directly to BOTA, if your property is not a single-family residential property.

To appeal, file the proper form with BOTA within 30 days from the date you were mailed notice of (a) the Small Claims Division decision or (b) the county appraiser's informal meeting results. *The appeal form should be part of the notice. Contact your county treasurer*

or appraiser for the appeal form if necessary.

6. What are the "Burdens of Proof" on Appeal?

Small Claims Division: The county must show that its value is correct.

Board of Tax Appeals: The county must show that the value of residential or commercial property is correct. However, if commercial real property is leased, the owner must provide income/expense information (up to three years) or the county's value is presumed to be correct.

Increases in Value: If real property increases in value from the prior year, the county must (1) review the record of the property's last physical inspection and (2) have documentation supporting the increase. If the value increases following a year when the value was reduced by appeal, then the county appraiser must also show *substantial and compelling reasons* for increasing the value.

Don't assume you will win your appeal just because the county must support its value. Be ready to show why your value is more accurate than the county's. See the "Preparing for a Property Valuation Appeal" brochure for more information.

PV-EC-149a (01/06) no HOP

Land and Building used for Residential and Commercial Purpose



The Property Tax Appeals Process in Kansas

Kansas Department of Revenue
Division of Property Valuation
915 SW Harrison, Topeka, Kansas 66612
Phone: (785) 296-2365
www.ksrevenue.org

Why do county appraisers appraise property?

Each year, the cost of local services is spread across the value of taxable property. (Local budgets ÷ assessed value of taxable property = mill levy). The statewide school mill levy is 20 mills (\$20 for every \$1000 assessed value). County appraisers are responsible for uniformly and accurately valuing all property each year. That way, all citizens fairly share in supporting the cost of local services. Local services include police and fire protection, roads, parks, public health services and schools.

2. How is property valued for tax purposes?

All property is valued annually on January 1. Most property is valued based on its fair market value. Exceptions are land devoted to agricultural use valued based on its income or productivity; commercial and industrial machinery and equipment valued based on a formula set forth in Kansas laws. For more information, contact your county appraiser or the Kansas Division of Property Valuation at (785) 296-2365.

3. What is fair market value and how determined?

Fair market value is the amount an informed buyer is willing to pay, and an informed seller is willing to take for property in an open market without undue influences.

The three approaches to value are the sales, the cost, and the income approach. The county appraiser considers all three when determining value.

Sales Approach

The county appraiser reviews similar properties that have sold, compares them to your property and may make adjustments for differing characteristics. This approach is typically applied to residential property in an area with a substantial number of sales.

Cost Approach

In the cost approach, the county determines replacement cost new of the property less depreciation. This approach is used when property is new or unique, with few sales in the area.

Income Approach

In the income approach, the value of the property is estimated using the income the property is expected to produce in the future. It is used to value commercial property and apartments when sufficient market rent information is available.

Documentation of Value

County appraisers can provide documentation showing how property was valued. For example, the

comparable sales sheet shows similar properties that have sold, adjustments, and the estimated value of your property. The inventory contents sheet ("ICS") shows the data collected on your property (includes measurements, rooms, condition, date of construction, etc.).

4. Should I appeal the value of my property?

If you believe that the county's value does not reflect the fair market value of your property on January 1, you should appeal. The appeals process is an opportunity to review a property in more detail. We all want values to be accurate so we have a fair basis for sharing the cost of local services.

You are welcome to request information about how your property was valued from the county appraiser's office in order to determine whether you should appeal.

5. How do I appeal?

Appealing Your Notice of Value

The first opportunity you have to appeal is when you receive the written notice of your property's value in the Spring. To appeal, contact your county appraiser within 30 days from the date the notice was mailed.

2-1-2
Once you start the appeal process, be sure to pursue it until you are satisfied. If you abandon your appeal, you can not "pay under protest" later for the same property and tax year.

Informal Meeting: The appeal process begins with an informal meeting with the county appraiser. At the informal meeting, the county appraiser must provide you with documentation supporting his or her value. This is also your opportunity to explain why you believe the county's value is incorrect.

Small Claims Division: If you decide to appeal the informal meeting results, you **must** appeal to Small Claims before proceeding to the Board of Tax Appeals (BOTA) if your property is a single-family residential property. You **may** appeal to the Small Claims Division if (a) the property is a residential property other than a single-family residence; or (b) the property has a value of less than \$2 million and is not agricultural land.

To appeal, file the proper form with BOTA within 30 days from the date the county mailed your notice of informal meeting results. *The appeal form should be part of the notice. Contact your county clerk or appraiser for the appeal form if necessary.*

Board of Tax Appeals (BOTA): If you decide to appeal a Small Claims decision, you may appeal to BOTA. You may also

005

SHAWNEE COUNTY REAL ESTATE TAX STATEMENT

LARRY WILSON, SHAWNEE COUNTY TREASURER

Date: 11/01/2005

200 S.E. 7TH St., Room 101

Topeka, Kansas 66603-3959 (785) 233-8200 Ext. 5161

www.co.shawnee.ks.us

Statement #: 54940

Parcel ID#:

Tax Unit: 014

Loan #:

PROPERTY DESCRIPTION

BLK B LOT 8 BROOKFIELD WEST SUB #2

SUBDIVISION: BROOKFIELD WEST SUB # 2

SEC: 08 TWN: 12 RNG: 15 QTR: NW

PROPERTY ADDRESS:

TAXPAYER:

TAX SUMMARY

GENERAL TAX	2,751.16
SPECIAL TAX	.00
TOTAL TAX	2,751.16
FIRST HALF TAX	1,375.58
SECOND HALF TAX	1,375.58

OUR RECORDS SHOW THAT YOUR TAX IS PAID THROUGH A LENDING INSTITUTION. THIS COPY IS PROVIDED TO YOU FOR YOUR RECORDS.

LOAN COMPANY: 050

PROPERTY CLASS	ASSD RATE	ASSESSED VALUE		VALUE CHANGE	% CHANGE	CURRENT TAX
		PRIOR YEAR	CURRENT YEAR			
RESIDENTIAL *	11.5%	19298	19873	575	3.0%	2,751.16
TOTAL		19298	19873	575	3.0%	2,751.16

* TAX MAY BE REDUCED BY UP TO \$46.00 DUE TO KSA 79-201x. SEE BACK OF FORM FOR EXPLANATION.

MILL LEVIES	PRIOR YEAR	CURRENT YEAR	% CHANGE
TRO TOPEKA AIRPORT AUT	1.065	1.036	-2.7%
SHAWNEE COUNTY	42.091	41.850	-.6%
CITY OF TOPEKA	32.391	30.653	-5.4%
TOP & SN CO PUBLIC LIB.	10.147	9.370	-7.7%
WASHBURN UNIVERSITY	3.313	3.313	.0%
USD #437 AUBURN/WASHBUR	29.983	30.319	1.1%
STATE USD-SCHOOL GENERAL	20.000	20.000	.0%
STATE OF KANSAS	1.500	1.500	.0%
METRO TRANSIT AUTHORITY	2.983	2.712	-9.1%
TOTAL MILL LEVY	143.473	140.753	-1.9%

TAX	PRIOR YEAR	CURRENT YEAR	\$ CHANGE	% CHANGE
METRO TOPEKA AIRPORT AUT	20.55	20.58	.03	.1%
SHAWNEE COUNTY	812.27	831.68	19.41	2.4%
CITY OF TOPEKA	625.08	609.17	-15.91	-2.5%
TOP & SN CO PUBLIC LIB.	195.82	186.21	-9.61	-4.9%
WASHBURN UNIVERSITY	63.93	65.84	1.91	3.0%
USD #437 AUBURN/WASHBUR	578.61	602.53	23.92	4.1%
STATE USD-SCHOOL GENERAL	339.94	351.44	11.50	3.4%
STATE OF KANSAS	28.95	29.81	.86	3.0%
METRO TRANSIT AUTHORITY	57.57	53.90	-3.67	-6.4%
TOTAL TAX	2722.72	2751.16	28.44	1.0%

REVENUE FROM PROPERTY TAX LEVIES	PRIOR YEAR	CURRENT YEAR	\$ CHANGE	% CHANGE
METRO TOPEKA AIRPORT AUT	1,457,418	1,482,720	25,302	1.7%
SHAWNEE COUNTY	57,600,185	59,895,593	2,295,408	4.0%
CITY OF TOPEKA	30,506,682	30,099,885	-406,797	-1.3%
TOP & SN CO PUBLIC LIB.	13,629,598	13,167,466	-462,132	-3.4%
SHBURN UNIVERSITY	3,120,269	3,253,219	132,950	4.3%
D #437 AUBURN/WASHBUR	10,986,287	11,661,957	675,670	6.2%
STATE USD-SCHOOL GENERAL	6,850,475	7,201,524	351,049	5.1%
STATE OF KANSAS	2,052,702	2,146,795	94,093	4.6%
METRO TRANSIT AUTHORITY	2,809,466	2,663,064	-146,402	-5.2%
TOTAL REVENUE	129,013,082	131,572,223		

SPECIAL ASSESSMENTS/NRA

SPECIAL ASSESSMENTS:

HS TAXATION COMMITTEE

1-19-2007

ATTACHMENT 5

PROPERTY TAX INFORMATION

YOUR ASSESSED VALUE

Assessed value is calculated as follows: appraised value multiplied by the assessed rate equals assessed value.

Land and buildings are classified and assessed at the following percentage of appraised value. Property class assessment percentages are set by the State Constitution and cannot be adjusted by the County.

Property Class	Assessed Rate
Residential: includes homes, apartments and condominiums.	11.5%
Vacant Lots: vacant land with no improvements.	12%
NFP: owned and operated by not-for-profit organizations.	12%
Commercial: real property used for commercial or industrial purposes.	25%
Ag Improvement: improvements on land devoted to agricultural use.	25%
Ag Land: land devoted to agricultural use.	30%
Other NEC: all other real property not elsewhere classified.	30%

The above classifications of property are appraised at "market value", except Ag Land. Ag Land is appraised as "use value".

*KSA 79-201x - The first \$2,300 in assessed value of residential property is exempt from the statewide USD General Fund levy. Note: \$2,300 in residential assessed value is equivalent to \$20,000 in residential appraised value.

YOUR MILL LEVIES

The mill levy is the tax rate applied to the assessed value. One mill is one dollar per \$1,000 dollars of assessed value. Kansas statute reduced the statewide USD General Fund levy to 20 mills. The County Clerk sets the mill levies for each local taxing authority according to the taxing authority's certified budget.

A local taxing authority has authority to levy taxes on property within its jurisdiction based on the amount of money needed to provide public services. The local taxing authorities budgets are published, public hearings are completed and budgets are set in August of each year.

YOU MAY BE ELIGIBLE FOR A TAX REFUND OR CREDIT FOR TAX YEAR 2005

2005 KANSAS HOMESTEAD AND FOOD SALES TAX REFUND QUALIFICATIONS

The Kansas Homestead Refund Act is designed to provide a refund of property taxes to certain persons who own or rent their homestead. The Kansas Food Sales Tax Refund Act is designed to provide a refund of sales tax paid. You must meet the following qualifications to claim these refunds.

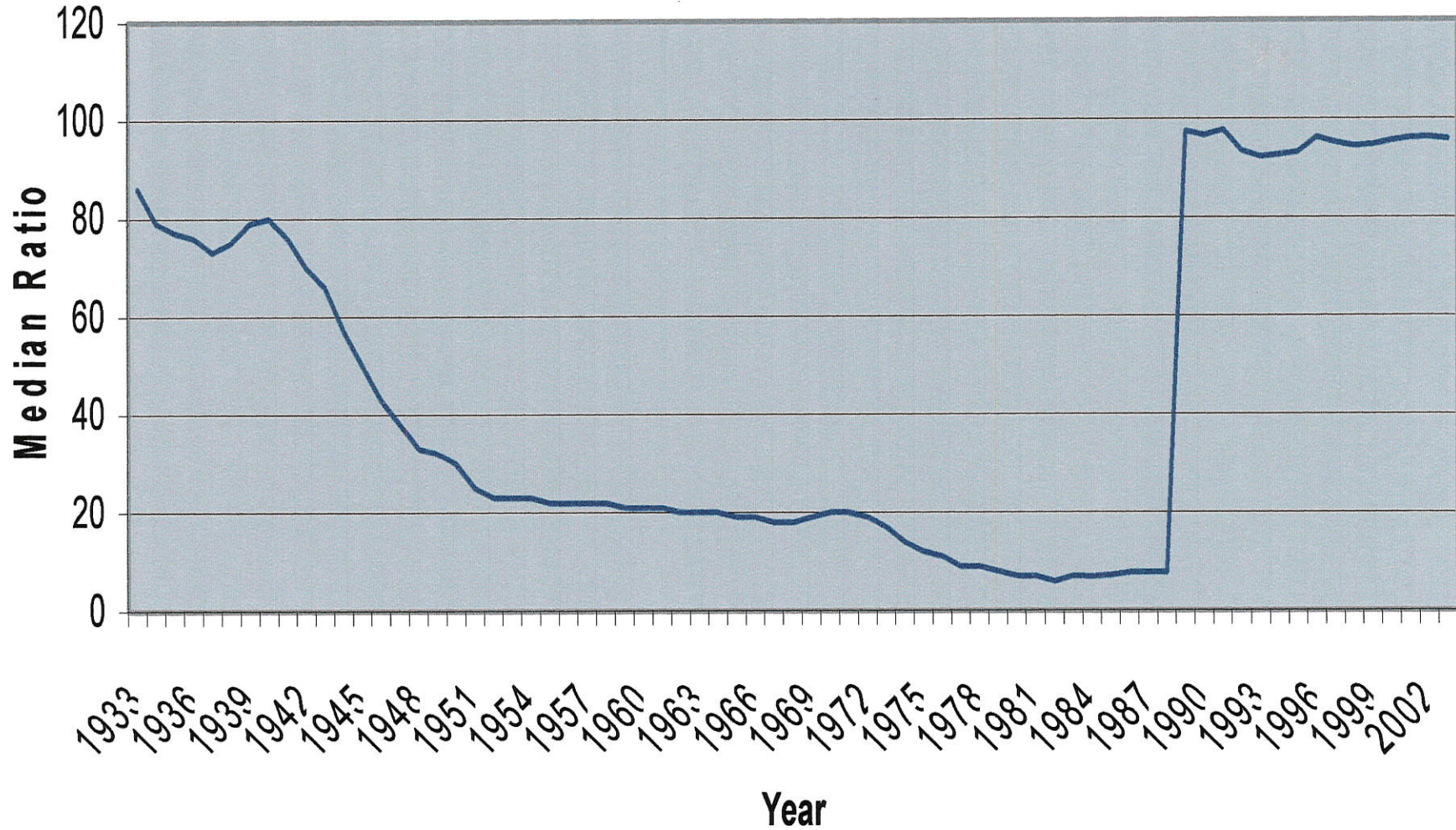
To qualify for a homestead and food tax refund, you must meet ONE of the following three requirements: 1) You must have been 55 years of age or older on January 1, 2005 or, 2) You must have been totally and permanently disabled or blind during the entire year of 2005, regardless of age; or 3) You must have had one or more dependent children residing with you the entire year, regardless of your age. At least one dependent must have been born on or before January 1, 2005 and must have been under 18 years of age the entire year of 2005.

In addition you must meet ALL the following requirements: 1) You must have been a resident of Kansas for the entire year of 2005; 2) Your total household income for 2005 must not have exceeded \$27,000 for a homestead refund and the maximum amount of "qualifying income" for food sales tax refund is \$27,600; and, 3) To claim a homestead refund: You must have owned or rented and occupied your homestead or lived in a nursing home upon which general property taxes were assessed during 2005. You must not owe any delinquent taxes on your homestead, or if you are filing under the renter's provision, the rental property must be on the tax roll; and, your property tax or rent paid must not have been paid from public funds, on your behalf, directly to the county treasurer or landlord during 2005.

The 2005 Homestead and Food Sales Tax Claim Booklet, Form K-40H, will be mailed directly to individuals who filed a 2004 Kansas Homestead and Food Sales Tax Claim and whose address has not changed. If you do not receive these forms in the mail they are available at the office of county clerks, city clerks, banks, libraries, Department of Revenue. Any form that is not available locally will be mailed to you upon request from the Department of Revenue, Taxpayer Assistance Bureau, Box 12001, Topeka, Kansas 66612-2001. In Topeka call 368-8222; outside Topeka call toll free: 1-877-526-7738; for Homestead information select option 4. Forms can also be requested from the Shawnee County Clerk, 200 SE 7th St, Room 107, Topeka, Kansas 66603-3959, (785) 233-8200 ext. 4155.

2006 Tax Year - homeowners will not receive an Eligibility Advancement Letter mailed to them, instead if they indicate on the 2005 return that they want their advancement information sent to the Clerk - the information will be sent to the County Clerk's Office.

Chart 6
Median Appraisal/Sales Ratio, 1933-2004



COUNTY TAX BASE

PROPERTY CLASSIFICATION	ASSESSED VALUE
REAL PROPERTY	
RESIDENTIAL	176,064,442
AGRICULTURAL LAND	31,070,196
VACANT LAND	3,107,020
NOT-FOR -PROFIT	1,035,673
COMMERCIAL/INDUSTRIAL	86,996,548
AG IMPROVEMENTS	3,107,020
ALL OTHER	517,837
PERSONAL PROPERTY	
RESIDENTIAL MOBILE HOMES	1,553,510
MINERAL LEASE HOLD	34,695,052
TAX ROLL MOTOR VEHICLES	2,589,183
COMMERCIAL INDUSTRIAL M & E	38,319,908
ALL OTHER	2,071,346
PUBLIC UTILITY PROPERTY	68,872,267
TOTAL ASSESSED VALUATION =	<u><u>450,000,000</u></u>

PROPERTY TAX REVENUE

TAXING SUBDIVISION	REVENUE
CITY	9,914,321
COUNTY	15,807,834
LOCAL USD SCHOOLS	12,282,742
STATEWIDE USD SCHOOLS (20 MILLS)	9,000,000
STATE BUILDING FUND (1.5 MILLS)	675,000
PUBLIC LIBRARY	716,034
POST SECONDARY EDUCATION	3,304,774
* ALL OTHER	2,974,296
<hr/>	
TOTAL REVENUE FROM PROPERTY TAX =	\$54,675,000
LESS: STATEWIDE USD SCHOOLS -	9,000,000
LESS: STATE BUILDING FUND -	675,000
<hr/>	
LOCAL PORTION OF PROPERTY TAX REVENUE =	\$45,000,000

* ALL OTHER MAY INCLUDE THE FOLLOWING:

AIRPORT AUTHORITY	METRO TRANSIT
AMBULANCE	MISCELLANEOUS
CEMETERY	PARKS AND RECREATION
DRAINAGE	RURAL HIGHWAY
FIRE	SEWER
HOSPITAL	SEWER MAINTENANCE
IMPROVEMENT	TAX INCREMENT
INDUSTRIAL	TOWNSHIPS
IRRIGATION	WATER
LIGHT	WATERSHED

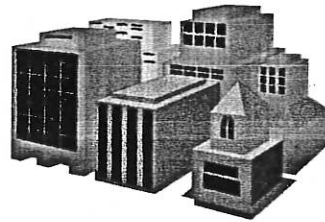
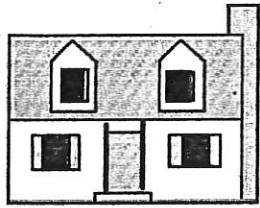
COUNTY MILL LEVY CALCULATION

COUNTY	ASSESSED VALUE		
P.T. REVENUE	IN TAX BASE	=	MILL LEVY
15,807,834	450,000,000	=	0.035129
DIVIDED BY			

TAX UNIT COMPOSITE MILL LEVY

TAXING SUBDIVISION	MILL LEVY
CITY	0.022032
COUNTY	0.035129
LOCAL USD SCHOOLS	0.027295
STATEWIDE USD SCHOOLS	0.020000
STATE BUILDING FUND	0.001500
PUBLIC LIBRARY	0.001591
POST SECONDARY EDUCATION	0.007344
ALL OTHER	0.006610
TOTAL MILL LEVY FOR TAXING UNIT	= 0.121500
LESS: STATEWIDE USD SCHOOLS	- 0.020000
LESS: STATE BUILDING FUND	- 0.001500
LOCAL PORTION OF THE TAX UNIT LEVY	= 0.100000

Year 1



Residential Property

Year 1

Appraised Value = 100,000
Assessment % = 11.5%
Assessed Value = 11,500

Local Portion of the
Tax Unit Mill Levy = .100000

Tax Bill = \$1,150

Commercial Property

Year 1

Appraised Value = 100,000
Assessment % = 25%
Assessed Value = 25,000

Local Portion of the
Tax Unit Mill Levy = .100000

Tax Bill = \$2,500

Both properties are in the same tax unit.

(-) \$49.47
21.5 MILLS

**YEAR 2: DUE TO ECONOMIC CONDITIONS, THE ASSESSED VALUE
IN THE COUNTY TAX BASE DECREASED 20%.**

COUNTY TAX BASE

YEAR 1 TOTAL ASSESSED VALUE = 450,000,000

YEAR 2 TOTAL ASSESSED VALUE = 360,000,000
(20% LESS THAN YEAR 1)

PROPERTY TAX REVENUE
 (LOCAL REVENUE IS THE SAME AS LAST YEAR)

TAXING SUBDIVISION	REVENUE
CITY	9,914,321
COUNTY	15,807,834
LOCAL USD SCHOOLS	12,282,742
STATEWIDE USD SCHOOLS	7,200,000
(Year 1 revenue)	(9,000,000)
STATE BUILDING FUND	540,000
(Year 1 revenue)	(675,000)
PUBLIC LIBRARY	716,034
POST SECONDARY EDUCATION	3,304,774
ALL OTHER	2,974,296
<hr/>	
TOTAL REVENUE FROM PROPERTY TAX =	<u>\$52,740,000</u>
LESS: STATEWIDE USD SCHOOLS -	7,200,000
LESS: STATE BUILDING FUND -	540,000
<hr/>	
LOCAL PORTION OF PROPERTY TAX REVENUE =	<u><u>\$45,000,000</u></u>

(see page 2)

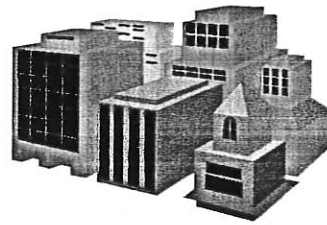
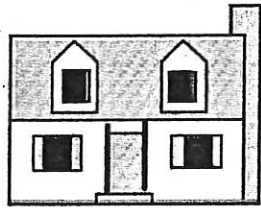
COUNTY MILL LEVY CALCULATION

COUNTY	ASSESSED VALUE		
P.T. REVENUE	IN TAX BASE		MILL LEVY
15,807,834	360,000,000	=	0.043911
(same as last year)	(20% lower value)		(0.035129)

TAX UNIT COMPOSITE MILL LEVY

TAXING SUBDIVISION	MILL LEVY
CITY	0.027540
COUNTY	0.043911
LOCAL USD SCHOOLS	0.034119
STATEWIDE USD SCHOOLS	0.020000
STATE BUILDING FUND	0.001500
PUBLIC LIBRARY	0.001989
POST SECONDARY EDUCATION	0.009180
ALL OTHER	0.008262
TOTAL MILL LEVY FOR TAXING UNIT	= 0.146500
	(0.121500)
LESS: STATEWIDE USD SCHOOLS	- 0.020000
LESS: STATE BUILDING FUND	- 0.001500
LOCAL PORTION OF THE TAX UNIT LEVY	= 0.125000
(see page 3)	(0.100000)

Year 2



Residential Property

Appraised Value = 80,000
Assessment % = $\frac{11.5\%}{}$
Assessed Value = 9,200

Local Portion of the
Tax Unit Mill Levy = .125000

Tax Bill = \$1,150

Commercial Property

Appraised Value = 80,000
Assessment % = $\frac{25\%}{}$
Assessed Value = 20,000

Local Portion of the
Tax Unit Mill Levy = .125000

Tax Bill = \$2,500

Although property values decreased, the local property tax remained the same as year 1 because property tax budgets (revenue) remained unchanged.

A: Appraised Value of All Property in the County Increases 10%, Local Revenue Remains the Same.

Residential Property

Year 1

Local Revenue = \$45 million
 Appraised Value = 100,000
 Local Portion of Mill Levy = .100000
 Local Portion of Tax Bill = \$1,150

Year 2

Local Revenue = \$45 million
 Appraised Value = 110,000
 Local Portion of Mill Levy = .090909
 Local Portion of Tax Bill = \$1,150

Commercial Property

Year 1

Local Revenue = \$45 million
 Appraised Value = 100,000
 Local Portion of Mill Levy = .100000
 Local Portion of Tax Bill = \$2,500

Year 2

Local Revenue = \$45 million
 Appraised Value = 110,000
 Local Portion of Mill Levy = .090909
 Local Portion of Tax Bill = \$2,500

Although property values increased, the local property tax remained the same as year 1 because budgets remained the same.

B: Appraised Values Remain the Same, Local Revenue Increases 5%

Residential Property

Year 1

Local Revenue = \$45 million
 Appraised Value = 100,000
 Local Portion of Mill Levy = .100000
 Local Portion of Tax Bill = \$1,150

Year 2

Local Revenue = \$47.25 million
 Appraised Value = 100,000
 Local Portion of Mill Levy = .105000
 Local Portion of Tax Bill = \$1,208

Commercial Property

Year 1

Local Revenue = \$45 million
 Appraised Value = 100,000
 Local Portion of Mill Levy = .100000
 Local Portion of Tax Bill = \$2,500

Year 2

Local Revenue = \$47.25 million
 Appraised Value = 100,000
 Local Portion of Mill Levy = .105000
 Local Portion of Tax Bill = \$2,625

Although property values did not change, the local property tax increased 5% from year 1 because budgets increased 5%.

SORT

County	2000 Population	ASSESSED VALUE			PROPERTY TAXES LEVIED			COUNTYWIDE AVERAGE MILL LEVY				
		Assessed Value	Rank High to Low	Per Capita	Rank High to Low	Tax Levied	Rank High to Low	Per Capita	Rank High to Low	Mill Levy	Rank High to Low	County
Russell	7,370	69,707,062	58	9,458	48	\$ 11,889,205	44	1,613	28	0.170560	1	Russell
Smith	4,536	35,998,758	90	7,936	66	\$ 5,960,211	81	1,314	44	0.165567	2	Smith
Clark	2,390	37,917,371	88	15,865	18	\$ 6,211,903	80	2,599	11	0.163827	3	Clark
Labette	22,835	111,921,096	39	4,901	104	\$ 18,055,968	31	791	97	0.161328	4	Labette
Ford	32,458	219,946,113	21	6,776	87	\$ 35,257,934	12	1,086	63	0.160303	5	Ford
Wyandotte	157,882	1,110,992,382	4	7,037	82	\$ 175,555,032	4	1,112	62	0.158016	6	Wyandotte
Pratt	9,647	99,483,573	43	10,312	41	\$ 15,574,049	34	1,614	27	0.156549	7	Pratt
Sumner	25,946	161,163,972	31	6,212	92	\$ 25,134,787	26	969	79	0.155958	8	Sumner
Neosho	16,997	89,926,383	46	5,291	103	\$ 13,976,728	39	822	91	0.155424	9	Neosho
Cloud	10,268	68,626,116	59	6,683	90	\$ 10,613,073	50	1,034	70	0.154651	10	Cloud
Osborne	4,452	35,609,420	92	7,999	62	\$ 5,497,863	83	1,235	49	0.154394	11	Osborne
Hodgeman	2,085	33,440,623	97	16,039	16	\$ 5,157,754	89	2,474	12	0.154236	12	Hodgeman
Elk	3,261	22,581,705	105	6,925	85	\$ 3,445,857	104	1,057	65	0.152595	13	Elk
Lincoln	3,578	34,888,396	95	9,751	45	\$ 5,285,900	85	1,477	34	0.151509	14	Lincoln
Harper	6,536	60,443,860	69	9,248	50	\$ 9,072,159	57	1,388	37	0.150092	15	Harper
Pawnee	7,233	54,110,624	75	7,481	71	\$ 8,075,236	66	1,116	61	0.149236	16	Pawnee
Rush	3,551	35,386,001	94	9,965	42	\$ 5,280,618	86	1,487	32	0.149229	17	Rush
Republic	5,835	48,059,471	78	8,236	61	\$ 7,111,948	74	1,219	51	0.147982	18	Republic
Ellsworth	6,525	54,913,571	74	8,416	58	\$ 8,068,323	67	1,237	48	0.146928	19	Ellsworth
Barton	28,205	196,623,885	28	6,971	83	\$ 28,809,018	22	1,021	72	0.146518	20	Barton
Cowley	36,291	204,004,662	27	5,621	99	\$ 29,795,995	17	821	93	0.146055	21	Cowley
Washington	6,483	56,394,616	72	8,699	57	\$ 8,218,760	64	1,268	45	0.145737	22	Washington
Mitchell	6,932	54,093,702	76	7,803	68	\$ 7,852,522	69	1,133	57	0.145165	23	Mitchell
Montgomery	36,252	205,706,380	26	5,674	98	\$ 29,676,529	18	819	94	0.144266	24	Montgomery
Chautauqua	4,359	23,937,357	104	5,491	102	\$ 3,450,725	103	792	96	0.144156	25	Chautauqua
Phillips	6,001	47,865,995	79	7,976	63	\$ 6,876,805	76	1,146	56	0.143668	26	Phillips
Wichita	2,531	32,157,702	99	12,706	28	\$ 4,609,583	95	1,821	20	0.143343	27	Wichita
Jewell	3,791	35,882,835	91	9,465	47	\$ 5,134,920	90	1,355	39	0.143102	28	Jewell
Reno	64,790	462,334,743	9	7,136	79	\$ 66,142,658	6	1,021	73	0.143062	29	Reno
Rawlins	2,966	31,123,637	101	10,493	39	\$ 4,385,323	98	1,479	33	0.140900	30	Rawlins

8-2

SORT

County	2000 Population	ASSESSED VALUE			PROPERTY TAXES LEVIED				COUNTYWIDE AVERAGE MILL LEVY			
		Assessed Value	Rank High to Low	Per Capita	Rank High to Low	Tax Levied	Rank High to Low	Per Capita	Rank High to Low	Mill Levy	Rank High to Low	County
Greenwood	7,673	57,515,527	70	7,496	70	\$ 8,095,693	65	1,055	66	0.140757	31	Greenwood
Trego	3,319	37,527,059	89	11,307	34	\$ 5,269,405	87	1,588	29	0.140416	32	Trego
Stafford	4,789	64,285,561	63	13,424	24	\$ 8,997,022	58	1,879	17	0.139954	33	Stafford
Woodson	3,788	28,210,937	103	7,447	72	\$ 3,921,956	101	1,035	69	0.139023	34	Woodson
Lane	2,155	32,801,724	98	15,221	20	\$ 4,549,424	96	2,111	14	0.138695	35	Lane
Bourbon	15,379	84,953,824	48	5,524	101	\$ 11,774,333	45	766	100	0.138597	36	Bourbon
Clay	8,822	62,171,778	66	7,047	81	\$ 8,590,374	61	974	78	0.138172	37	Clay
Geary	27,947	133,854,235	34	4,790	105	\$ 18,388,867	30	658	103	0.137380	38	Geary
Butler	59,482	441,998,615	11	7,431	73	\$ 60,548,035	7	1,018	75	0.136987	39	Butler
Thomas	8,180	78,959,399	51	9,653	46	\$ 10,773,339	49	1,317	43	0.136442	40	Thomas
Franklin	24,784	177,650,848	29	7,168	76	\$ 24,227,134	28	978	76	0.136375	41	Franklin
Rice	10,761	100,041,673	42	9,297	49	\$ 13,551,974	41	1,259	46	0.135463	42	Rice
Lyon	35,935	218,162,708	24	6,071	94	\$ 29,388,400	20	818	95	0.134709	43	Lyon
Shawnee	169,871	1,427,520,824	3	8,404	59	\$ 190,842,556	3	1,123	60	0.133688	44	Shawnee
Marion	13,361	97,646,856	45	7,308	74	\$ 13,032,508	43	975	77	0.133466	45	Marion
Ottawa	6,163	56,636,207	71	9,190	52	\$ 7,484,417	72	1,214	52	0.132149	46	Ottawa
Decatur	3,472	31,715,450	100	9,135	54	\$ 4,157,539	99	1,197	54	0.131089	47	Decatur
Greeley	1,534	35,431,811	93	23,098	9	\$ 4,635,117	94	3,022	9	0.130818	48	Greeley
Edwards	3,449	43,639,549	80	12,653	30	\$ 5,708,109	82	1,655	24	0.130801	49	Edwards
Allen	14,385	79,488,947	50	5,526	100	\$ 10,392,439	51	722	101	0.130741	50	Allen
Marshall	10,965	86,109,471	47	7,853	67	\$ 11,172,084	48	1,019	74	0.129743	51	Marshall
Graham	2,946	42,259,364	81	14,345	21	\$ 5,479,242	84	1,860	19	0.129657	52	Graham
Rooks	5,685	60,887,283	68	10,710	38	\$ 7,855,075	68	1,382	38	0.129010	53	Rooks
Norton	5,953	39,807,488	85	6,687	89	\$ 5,118,169	91	860	85	0.128573	54	Norton
Atchison	16,774	113,923,684	38	6,792	86	\$ 14,511,201	37	865	84	0.127377	55	Atchison
Anderson	8,110	67,034,996	60	8,266	60	\$ 8,478,571	63	1,045	68	0.126480	56	Anderson
Jackson	12,657	77,998,743	52	6,162	93	\$ 9,760,023	53	771	99	0.125131	57	Jackson
Scott	5,120	71,727,927	56	14,009	22	\$ 8,952,025	59	1,748	22	0.124805	58	Scott
Wabaunsee	6,885	62,587,452	65	9,090	55	\$ 7,798,615	71	1,133	58	0.124603	59	Wabaunsee
Harvey	32,869	219,244,111	23	6,670	91	\$ 27,255,334	23	829	89	0.124315	60	Harvey

SORT

County	2000 Population	ASSESSED VALUE			PROPERTY TAXES LEVIED			COUNTYWIDE AVERAGE MILL LEVY				
		Assessed Value	Rank High to Low	Per Capita	Tax Levied	Rank High to Low	Per Capita	Mill Levy	Rank High to Low	County		
Comanche	1,967	42,159,476	82	21,433	11	\$ 5,239,354	88	2,664	10	0.124275	61	Comanche
Jefferson	18,426	131,678,865	35	7,146	78	\$ 16,341,200	32	887	83	0.124099	62	Jefferson
Barber	5,307	73,225,639	54	13,798	23	\$ 9,072,244	56	1,709	23	0.123894	63	Barber
Chase	3,030	38,675,768	87	12,764	27	\$ 4,775,495	93	1,576	31	0.123475	64	Chase
Gray	5,904	64,041,925	64	10,847	37	\$ 7,830,481	70	1,326	42	0.122271	65	Gray
Logan	3,046	40,499,541	84	13,296	25	\$ 4,933,704	92	1,620	26	0.121821	66	Logan
Wilson	10,332	69,865,679	57	6,762	88	\$ 8,491,100	62	822	92	0.121535	67	Wilson
Ness	3,454	53,189,491	77	15,399	19	\$ 6,434,254	78	1,863	18	0.120969	68	Ness
Brown	10,724	82,094,070	49	7,655	69	\$ 9,837,868	52	917	81	0.119837	69	Brown
Crawford	38,242	219,819,386	22	5,748	97	\$ 26,271,449	24	687	102	0.119514	70	Crawford
Hamilton	2,670	72,648,427	55	27,209	8	\$ 8,672,336	60	3,248	8	0.119374	71	Hamilton
Kingman	8,673	97,822,789	44	11,279	35	\$ 11,582,972	46	1,336	41	0.118408	72	Kingman
Leavenworth	68,691	491,118,236	6	7,150	77	\$ 57,897,430	8	843	88	0.117889	73	Leavenworth
Nemaha	10,717	77,114,259	53	7,196	75	\$ 9,085,718	55	848	86	0.117822	74	Nemaha
Sherman	6,760	62,001,706	67	9,172	53	\$ 7,301,478	73	1,080	64	0.117763	75	Sherman
McPherson	29,554	290,455,618	17	9,828	44	\$ 34,065,177	14	1,153	55	0.117282	76	McPherson
Sheridan	2,813	33,509,739	96	11,912	31	\$ 3,928,405	100	1,397	36	0.117232	77	Sheridan
Osage	16,712	118,232,763	37	7,075	80	\$ 13,830,393	40	828	90	0.116976	78	Osage
Wallace	1,749	28,650,993	102	16,381	15	\$ 3,297,757	105	1,886	16	0.115101	79	Wallace
Sedgwick	452,869	3,608,117,774	2	7,967	64	\$ 410,558,235	2	907	82	0.113787	80	Sedgwick
Dickinson	19,344	134,700,485	33	6,963	84	\$ 15,251,016	35	788	98	0.113222	81	Dickinson
Gove	3,068	38,979,781	86	12,705	29	\$ 4,392,136	97	1,432	35	0.112677	82	Gove
Seward	22,510	267,620,682	20	11,889	32	\$ 30,081,102	16	1,336	40	0.112402	83	Seward
Miami	28,351	313,307,824	16	11,051	36	\$ 34,868,038	13	1,230	50	0.111290	84	Miami
Morris	6,104	56,391,783	73	9,238	51	\$ 6,234,810	79	1,021	71	0.110562	85	Morris
Riley	62,843	368,396,042	13	5,862	95	\$ 40,681,149	11	647	104	0.110428	86	Riley
Johnson	451,086	7,171,851,084	1	15,899	17	\$ 791,536,852	1	1,755	21	0.110367	87	Johnson
Douglas	99,962	1,038,091,400	5	10,385	40	\$ 112,864,756	5	1,129	59	0.108723	88	Douglas
Finney	40,523	470,512,179	7	11,611	33	\$ 50,666,505	9	1,250	47	0.107684	89	Finney
Saline	53,597	470,197,690	8	8,773	56	\$ 50,417,089	10	941	80	0.107225	90	Saline

SORT

County	2000 Population	ASSESSED VALUE			PROPERTY TAXES LEVIED			COUNTYWIDE AVERAGE MILL LEVY				
		Assessed Value	Rank High to Low	Per Capita	Rank High to Low	Tax Levied	Rank High to Low	Per Capita	Rank High to Low	Mill Levy	Rank High to Low	County
Ellis	27,507	270,807,578	19	9,845	43	\$ 28,838,276	21	1,048	67	0.106490	91	Ellis
Doniphan	8,249	65,515,538	61	7,942	65	\$ 6,975,284	75	846	87	0.106468	92	Doniphan
Meade	4,631	106,413,866	40	22,979	10	\$ 11,302,262	47	2,441	13	0.106210	93	Meade
Kiowa	3,278	64,410,702	62	19,649	13	\$ 6,624,144	77	2,021	15	0.102842	94	Kiowa
Cherokee	22,605	131,174,257	36	5,803	96	\$ 13,052,885	42	577	105	0.099508	95	Cherokee
Cheyenne	3,165	40,501,431	83	12,797	26	\$ 3,808,129	102	1,203	53	0.094025	96	Cheyenne
Linn	9,570	161,787,466	30	16,906	14	\$ 15,114,701	36	1,579	30	0.093423	97	Linn
Stanton	2,406	102,902,175	41	42,769	7	\$ 9,596,140	54	3,988	4	0.093255	98	Stanton
Morton	3,496	160,018,126	32	45,772	5	\$ 13,986,897	38	4,001	3	0.087408	99	Morton
Pottawatomie	18,209	368,842,391	12	20,256	12	\$ 29,647,561	19	1,628	25	0.080380	100	Pottawatomie
Haskell	4,307	212,379,658	25	49,310	4	\$ 15,920,788	33	3,696	5	0.074964	101	Haskell
Grant	7,909	345,416,263	15	43,674	6	\$ 25,839,370	25	3,267	7	0.074806	102	Grant
Kearny	4,531	286,362,195	18	63,201	2	\$ 20,733,141	29	4,576	1	0.072402	103	Kearny
Stevens	5,463	354,980,725	14	64,979	1	\$ 24,831,177	27	4,545	2	0.069951	104	Stevens
Coffey	8,865	455,842,283	10	51,420	3	\$ 31,452,872	15	3,548	6	0.068999	105	Coffey
Statewide	2,688,418	27,019,361,810		10,050		\$ 3,175,050,492		1,181		0.117510		Statewide

5-8

SORT

County	2000 Population	ASSESSED VALUE			PROPERTY TAXES LEVIED			COUNTYWIDE AVERAGE MILL LEVY				
		Assessed Value	Rank High to Low	Per Capita	Rank High to Low	Tax Levied	Rank High to Low	Per Capita	Rank High to Low	Mill Levy	Rank High to Low	County
Allen	14,385	79,488,947	50	5,526	100	\$ 10,392,439	51	722	101	0.130741	50	Allen
Anderson	8,110	67,034,996	60	8,266	60	\$ 8,478,571	63	1,045	68	0.126480	56	Anderson
Atchison	16,774	113,923,684	38	6,792	86	\$ 14,511,201	37	865	84	0.127377	55	Atchison
Barber	5,307	73,225,639	54	13,798	23	\$ 9,072,244	56	1,709	23	0.123894	63	Barber
Barton	28,205	196,623,885	28	6,971	83	\$ 28,809,018	22	1,021	72	0.146518	20	Barton
Bourbon	15,379	84,953,824	48	5,524	101	\$ 11,774,333	45	766	100	0.138597	36	Bourbon
Brown	10,724	82,094,070	49	7,655	69	\$ 9,837,868	52	917	81	0.119837	69	Brown
Butler	59,482	441,998,615	11	7,431	73	\$ 60,548,035	7	1,018	75	0.136987	39	Butler
Chase	3,030	38,675,768	87	12,764	27	\$ 4,775,495	93	1,576	31	0.123475	64	Chase
Chautauqua	4,359	23,937,357	104	5,491	102	\$ 3,450,725	103	792	96	0.144156	25	Chautauqua
Cherokee	22,605	131,174,257	36	5,803	96	\$ 13,052,885	42	577	105	0.099508	95	Cherokee
Cheyenne	3,165	40,501,431	83	12,797	26	\$ 3,808,129	102	1,203	53	0.094025	96	Cheyenne
Clark	2,390	37,917,371	88	15,865	18	\$ 6,211,903	80	2,599	11	0.163827	3	Clark
Clay	8,822	62,171,778	66	7,047	81	\$ 8,590,374	61	974	78	0.138172	37	Clay
Cloud	10,268	68,626,116	59	6,683	90	\$ 10,613,073	50	1,034	70	0.154651	10	Cloud
Coffey	8,865	455,842,283	10	51,420	3	\$ 31,452,872	15	3,548	6	0.068999	105	Coffey
Comanche	1,967	42,159,476	82	21,433	11	\$ 5,239,354	88	2,664	10	0.124275	61	Comanche
Cowley	36,291	204,004,662	27	5,621	99	\$ 29,795,995	17	821	93	0.146055	21	Cowley
Crawford	38,242	219,819,386	22	5,748	97	\$ 26,271,449	24	687	102	0.119514	70	Crawford
Decatur	3,472	31,715,450	100	9,135	54	\$ 4,157,539	99	1,197	54	0.131089	47	Decatur
Dickinson	19,344	134,700,485	33	6,963	84	\$ 15,251,016	35	788	98	0.113222	81	Dickinson
Doniphan	8,249	65,515,538	61	7,942	65	\$ 6,975,284	75	846	87	0.106468	92	Doniphan
Douglas	99,962	1,038,091,400	5	10,385	40	\$ 112,864,756	5	1,129	59	0.108723	88	Douglas
Edwards	3,449	43,639,549	80	12,653	30	\$ 5,708,109	82	1,655	24	0.130801	49	Edwards
Elk	3,261	22,581,705	105	6,925	85	\$ 3,445,857	104	1,057	65	0.152595	13	Elk
Ellis	27,507	270,807,578	19	9,845	43	\$ 28,838,276	21	1,048	67	0.106490	91	Ellis
Ellsworth	6,525	54,913,571	74	8,416	58	\$ 8,068,323	67	1,237	48	0.146928	19	Ellsworth
Finney	40,523	470,512,179	7	11,611	33	\$ 50,666,505	9	1,250	47	0.107684	89	Finney
Ford	32,458	219,946,113	21	6,776	87	\$ 35,257,934	12	1,086	63	0.160303	5	Ford
Franklin	24,784	177,650,848	29	7,168	76	\$ 24,227,134	28	978	76	0.136375	41	Franklin

2005 Value and Tax per Capita

8-6

SORT

County	2000 Population	ASSESSED VALUE			PROPERTY TAXES LEVIED			COUNTYWIDE AVERAGE MILL LEVY				
		Assessed Value	Rank High to Low	Per Capita	Rank High to Low	Tax Levied	Rank High to Low	Per Capita	Rank High to Low	Mill Levy	Rank High to Low	County
Geary	27,947	133,854,235	34	4,790	105	\$ 18,388,867	30	658	103	0.137380	38	Geary
Gove	3,068	38,979,781	86	12,705	29	\$ 4,392,136	97	1,432	35	0.112677	82	Gove
Graham	2,946	42,259,364	81	14,345	21	\$ 5,479,242	84	1,860	19	0.129657	52	Graham
Grant	7,909	345,416,263	15	43,674	6	\$ 25,839,370	25	3,267	7	0.074806	102	Grant
Gray	5,904	64,041,925	64	10,847	37	\$ 7,830,481	70	1,326	42	0.122271	65	Gray
Greeley	1,534	35,431,811	93	23,098	9	\$ 4,635,117	94	3,022	9	0.130818	48	Greeley
Greenwood	7,673	57,515,527	70	7,496	70	\$ 8,095,693	65	1,055	66	0.140757	31	Greenwood
Hamilton	2,670	72,648,427	55	27,209	8	\$ 8,672,336	60	3,248	8	0.119374	71	Hamilton
Harper	6,536	60,443,860	69	9,248	50	\$ 9,072,159	57	1,388	37	0.150092	15	Harper
Harvey	32,869	219,244,111	23	6,670	91	\$ 27,255,334	23	829	89	0.124315	60	Harvey
Haskell	4,307	212,379,658	25	49,310	4	\$ 15,920,788	33	3,696	5	0.074964	101	Haskell
Hodgeman	2,085	33,440,623	97	16,039	16	\$ 5,157,754	89	2,474	12	0.154236	12	Hodgeman
Jackson	12,657	77,998,743	52	6,162	93	\$ 9,760,023	53	771	99	0.125131	57	Jackson
Jefferson	18,426	131,678,865	35	7,146	78	\$ 16,341,200	32	887	83	0.124099	62	Jefferson
Jewell	3,791	35,882,835	91	9,465	47	\$ 5,134,920	90	1,355	39	0.143102	28	Jewell
Johnson	451,086	7,171,851,084	1	15,899	17	\$ 791,536,852	1	1,755	21	0.110367	87	Johnson
Kearny	4,531	286,362,195	18	63,201	2	\$ 20,733,141	29	4,576	1	0.072402	103	Kearny
Kingman	8,673	97,822,789	44	11,279	35	\$ 11,582,972	46	1,336	41	0.118408	72	Kingman
Kiowa	3,278	64,410,702	62	19,649	13	\$ 6,624,144	77	2,021	15	0.102842	94	Kiowa
Labette	22,835	111,921,096	39	4,901	104	\$ 18,055,968	31	791	97	0.161328	4	Labette
Lane	2,155	32,801,724	98	15,221	20	\$ 4,549,424	96	2,111	14	0.138695	35	Lane
Leavenworth	68,691	491,118,236	6	7,150	77	\$ 57,897,430	8	843	88	0.117889	73	Leavenworth
Lincoln	3,578	34,888,396	95	9,751	45	\$ 5,285,900	85	1,477	34	0.151509	14	Lincoln
Linn	9,570	161,787,466	30	16,906	14	\$ 15,114,701	36	1,579	30	0.093423	97	Linn
Logan	3,046	40,499,541	84	13,296	25	\$ 4,933,704	92	1,620	26	0.121821	66	Logan
Lyon	35,935	218,162,708	24	6,071	94	\$ 29,388,400	20	818	95	0.134709	43	Lyon
Marion	13,361	97,646,856	45	7,308	74	\$ 13,032,508	43	975	77	0.133466	45	Marion
Marshall	10,965	86,109,471	47	7,853	67	\$ 11,172,084	48	1,019	74	0.129743	51	Marshall
McPherson	29,554	290,455,618	17	9,828	44	\$ 34,065,177	14	1,153	55	0.117282	76	McPherson
Meade	4,631	106,413,866	40	22,979	10	\$ 11,302,262	47	2,441	13	0.106210	93	Meade

SORT

County	2000 Population	ASSESSED VALUE			PROPERTY TAXES LEVIED			COUNTYWIDE AVERAGE MILL LEVY				
		Assessed Value	Rank High to Low	Per Capita	Rank High to Low	Tax Levied	Rank High to Low	Per Capita	Rank High to Low	Mill Levy	Rank High to Low	County
Miami	28,351	313,307,824	16	11,051	36	\$ 34,868,038	13	1,230	50	0.111290	84	Miami
Mitchell	6,932	54,093,702	76	7,803	68	\$ 7,852,522	69	1,133	57	0.145165	23	Mitchell
Montgomery	36,252	205,706,380	26	5,674	98	\$ 29,676,529	18	819	94	0.144266	24	Montgomery
Morris	6,104	56,391,783	73	9,238	51	\$ 6,234,810	79	1,021	71	0.110562	85	Morris
Morton	3,496	160,018,126	32	45,772	5	\$ 13,986,897	38	4,001	3	0.087408	99	Morton
Nemaha	10,717	77,114,259	53	7,196	75	\$ 9,085,718	55	848	86	0.117822	74	Nemaha
Neosho	16,997	89,926,383	46	5,291	103	\$ 13,976,728	39	822	91	0.155424	9	Neosho
Ness	3,454	53,189,491	77	15,399	19	\$ 6,434,254	78	1,863	18	0.120969	68	Ness
Norton	5,953	39,807,488	85	6,687	89	\$ 5,118,169	91	860	85	0.128573	54	Norton
Osage	16,712	118,232,763	37	7,075	80	\$ 13,830,393	40	828	90	0.116976	78	Osage
Osborne	4,452	35,609,420	92	7,999	62	\$ 5,497,863	83	1,235	49	0.154394	11	Osborne
Ottawa	6,163	56,636,207	71	9,190	52	\$ 7,484,417	72	1,214	52	0.132149	46	Ottawa
Pawnee	7,233	54,110,624	75	7,481	71	\$ 8,075,236	66	1,116	61	0.149236	16	Pawnee
Phillips	6,001	47,865,995	79	7,976	63	\$ 6,876,805	76	1,146	56	0.143668	26	Phillips
Pottawatomie	18,209	368,842,391	12	20,256	12	\$ 29,647,561	19	1,628	25	0.080380	100	Pottawatomie
Pratt	9,647	99,483,573	43	10,312	41	\$ 15,574,049	34	1,614	27	0.156549	7	Pratt
Rawlins	2,966	31,123,637	101	10,493	39	\$ 4,385,323	98	1,479	33	0.140900	30	Rawlins
Reno	64,790	462,334,743	9	7,136	79	\$ 66,142,658	6	1,021	73	0.143062	29	Reno
Republic	5,835	48,059,471	78	8,236	61	\$ 7,111,948	74	1,219	51	0.147982	18	Republic
Rice	10,761	100,041,673	42	9,297	49	\$ 13,551,974	41	1,259	46	0.135463	42	Rice
Riley	62,843	368,396,042	13	5,862	95	\$ 40,681,149	11	647	104	0.110428	86	Riley
Rooks	5,685	60,887,283	68	10,710	38	\$ 7,855,075	68	1,382	38	0.129010	53	Rooks
Rush	3,551	35,386,001	94	9,965	42	\$ 5,280,618	86	1,487	32	0.149229	17	Rush
Russell	7,370	69,707,062	58	9,458	48	\$ 11,889,205	44	1,613	28	0.170560	1	Russell
Saline	53,597	470,197,690	8	8,773	56	\$ 50,417,089	10	941	80	0.107225	90	Saline
Scott	5,120	71,727,927	56	14,009	22	\$ 8,952,025	59	1,748	22	0.124805	58	Scott
Sedgwick	452,869	3,608,117,774	2	7,967	64	\$ 410,558,235	2	907	82	0.113787	80	Sedgwick
Seward	22,510	267,620,682	20	11,889	32	\$ 30,081,102	16	1,336	40	0.112402	83	Seward
Shawnee	169,871	1,427,520,824	3	8,404	59	\$ 190,842,556	3	1,123	60	0.133688	44	Shawnee
Sheridan	2,813	33,509,739	96	11,912	31	\$ 3,928,405	100	1,397	36	0.117232	77	Sheridan

2005 Value and Tax per Capita

8-8

SORT

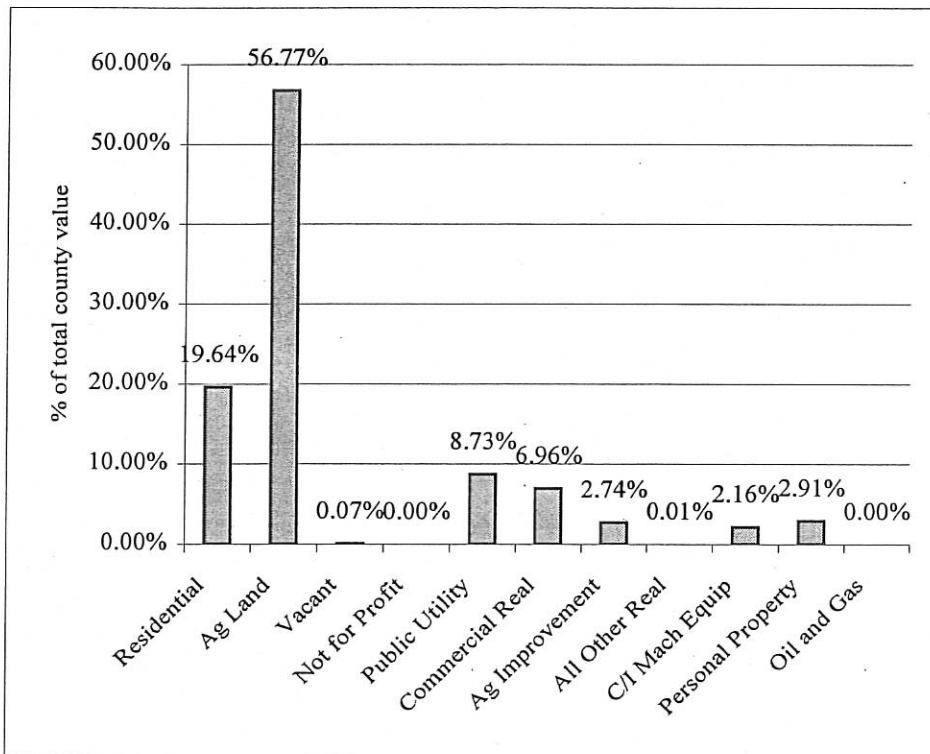
County	2000 Population	ASSESSED VALUE			PROPERTY TAXES LEVIED			COUNTYWIDE AVERAGE MILL LEVY				
		Assessed Value	Rank High to Low	Per Capita	Rank High to Low	Tax Levied	Rank High to Low	Per Capita	Rank High to Low	Mill Levy	Rank High to Low	County
Sherman	6,760	62,001,706	67	9,172	53	\$ 7,301,478	73	1,080	64	0.117763	75	Sherman
Smith	4,536	35,998,758	90	7,936	66	\$ 5,960,211	81	1,314	44	0.165567	2	Smith
Stafford	4,789	64,285,561	63	13,424	24	\$ 8,997,022	58	1,879	17	0.139954	33	Stafford
Stanton	2,406	102,902,175	41	42,769	7	\$ 9,596,140	54	3,988	4	0.093255	98	Stanton
Stevens	5,463	354,980,725	14	64,979	1	\$ 24,831,177	27	4,545	2	0.069951	104	Stevens
Sumner	25,946	161,163,972	31	6,212	92	\$ 25,134,787	26	969	79	0.155958	8	Sumner
Thomas	8,180	78,959,399	51	9,653	46	\$ 10,773,339	49	1,317	43	0.136442	40	Thomas
Trego	3,319	37,527,059	89	11,307	34	\$ 5,269,405	87	1,588	29	0.140416	32	Trego
Wabaunsee	6,885	62,587,452	65	9,090	55	\$ 7,798,615	71	1,133	58	0.124603	59	Wabaunsee
Wallace	1,749	28,650,993	102	16,381	15	\$ 3,297,757	105	1,886	16	0.115101	79	Wallace
Washington	6,483	56,394,616	72	8,699	57	\$ 8,218,760	64	1,268	45	0.145737	22	Washington
Wichita	2,531	32,157,702	99	12,706	28	\$ 4,609,583	95	1,821	20	0.143343	27	Wichita
Wilson	10,332	69,865,679	57	6,762	88	\$ 8,491,100	62	822	92	0.121535	67	Wilson
Woodson	3,788	28,210,937	103	7,447	72	\$ 3,921,956	101	1,035	69	0.139023	34	Woodson
Wyandotte	157,882	1,110,992,382	4	7,037	82	\$ 175,555,032	4	1,112	62	0.158016	6	Wyandotte
Statewide	2,688,418	27,019,361,810		10,050		\$ 3,175,050,492		1,181		0.117510		Statewide

2005 Real and Personal Property Value and Tax Summary

County Name **Smith**
County Number **92**

Total Taxable Value	\$36,013,860	Tax Per Capita	\$1,315
Value Per Capita	\$7,940	Mill Levy	0.1656
Total Ad Valorem Tax	\$5,963,022	2000 Population	4,536

Property Type/Class	2005 Value	% of County
Residential	7,071,585	19.64%
Ag Land	20,446,103	56.77%
Vacant	26,946	0.07%
Not for Profit	1,653	0.00%
Public Utility	3,142,223	8.73%
Commercial Real	2,507,984	6.96%
Ag Improvement	986,028	2.74%
All Other Real	5,244	0.01%
C/I Mach Equip	778,510	2.16%
Personal Property	1,047,584	2.91%
Oil and Gas	0	0.00%
Total	36,013,860	100.00%



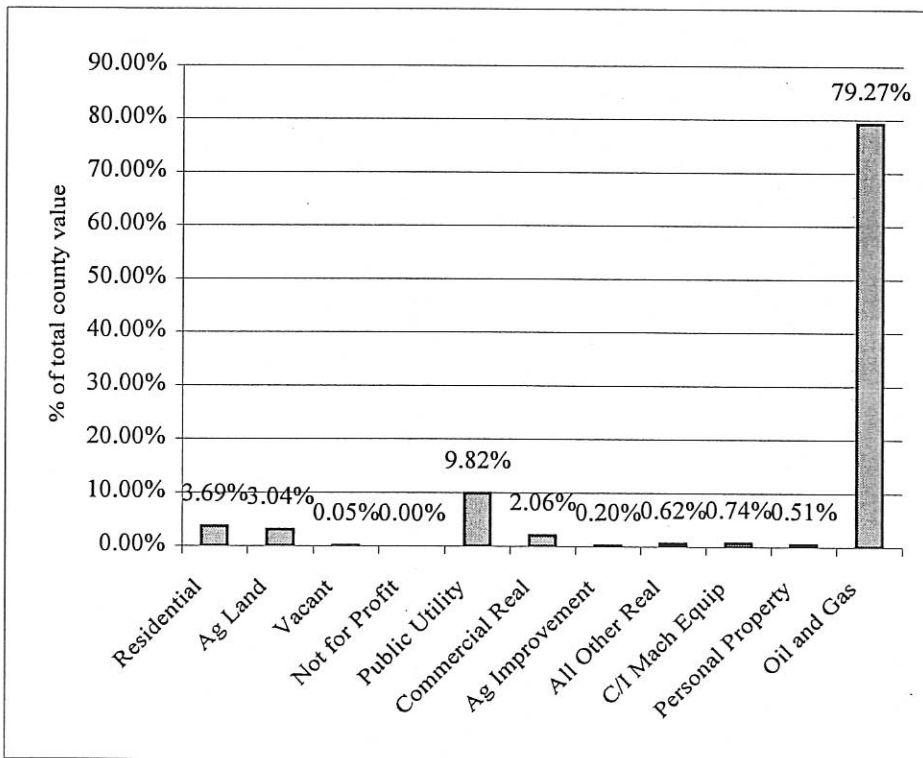
2005 Real and Personal Property Value and Tax Summary

County Name **Stevens**

County Number **95**

Total Taxable Value	\$355,036,678	Tax Per Capita	\$4,546
Value Per Capita	\$64,989	Mill Levy	0.0700
Total Ad Valorem Tax	\$24,836,626	2000 Population	5,463

Property Type/Class	2005 Value	% of County
Residential	13,108,329	3.69%
Ag Land	10,785,424	3.04%
Vacant	181,700	0.05%
Not for Profit	3,903	0.00%
Public Utility	34,876,841	9.82%
Commercial Real	7,311,819	2.06%
Ag Improvement	724,532	0.20%
All Other Real	2,188,346	0.62%
C/I Mach Equip	2,630,783	0.74%
Personal Property	1,803,588	0.51%
Oil and Gas	281,421,413	79.27%
Total	355,036,678	100.00%

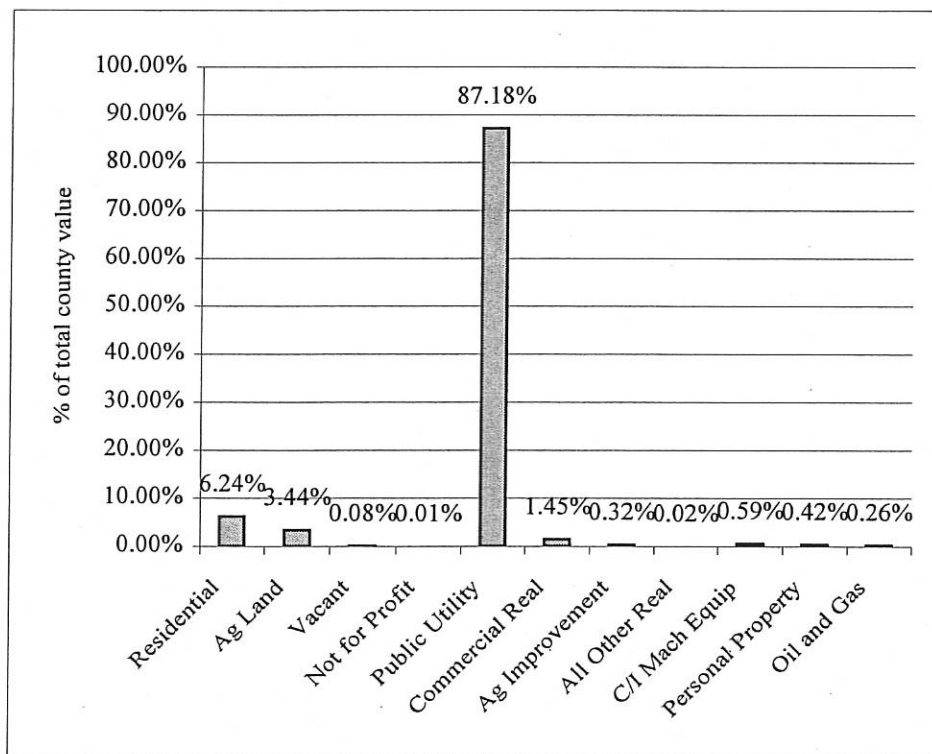


2005 Real and Personal Property Value and Tax Summary

County Name **Coffey**
County Number **16**

Total Taxable Value	\$456,037,314	Tax Per Capita	\$3,550
Value Per Capita	\$51,442	Mill Levy	0.0690
Total Ad Valorem Tax	\$31,472,056	2000 Population	8,865

Property Type/Class	2005 Value	% of County
Residential	28,448,449	6.24%
Ag Land	15,682,347	3.44%
Vacant	353,428	0.08%
Not for Profit	27,924	0.01%
Public Utility	397,593,030	87.18%
Commercial Real	6,626,356	1.45%
Ag Improvement	1,457,101	0.32%
All Other Real	75,132	0.02%
C/I Mach Equip	2,672,619	0.59%
Personal Property	1,916,283	0.42%
Oil and Gas	1,184,645	0.26%
Total	456,037,314	100.00%



Property Tax Calendar

Real Property Deadlines

<u>Last day for:</u>	<u>Day</u>	<u>K.S.A.</u>
- County to mail valuation notices	March 1	79-1460
- Taxpayers to file Equalization Appeal (30 days from date county mailed notice)	30 days	79-1448
- Informal meeting with County Appraiser	May 15	79-1448
- County Appraiser to provide final determination	May 20	79-1448
- County Appraiser to certify values to County Clerk	June 15	79-1466
- Hearing Officer/Panel to hold hearings	July 1	79-1606
- Hearing Officer/Panel to issue order/decision	July 5	79-1606
- Taxpayer to file with Small Claims Division (30 days from date of informal decision or HOP decision)	---	79-1606
- County Clerk certifies abstract of value to Director of Property Valuation	July 15	79-1604

Personal Property Deadlines

<u>Last Day for:</u>	<u>Day</u>	<u>K.S.A.</u>
- Taxpayers to file personal property rendition	March 15	79-306
- Taxpayers to file oil and gas property rendition	April 1	79-332a
- County to mail valuation notices	May 1	79-1460
- Taxpayers to file Equalization Appeal	May 15	79-1448
- Informal meeting with County Appraiser	---	79-1448
- County Appraiser to provide final determination	---	79-1448
- County Appraiser to certify values to County Clerk	June 15	79-1467
- Hearing Officer/Panel to hold hearings	July 1	79-1606
- Hearing Officer/Panel to issue order/decision	July 5	79-1606
- Taxpayer to file with Small Claims Division (30 days from date of informal decision or HOP decision)	---	79-1606
- County Clerk certifies abstract of value to Director of Property Valuation	July 15	79-1604

Budget, Levy, and Tax Deadlines

<u>Last Day for:</u>	<u>Day</u>	<u>K.S.A.</u>
- Governing bodies certify budget to county clerk	August 25	79-1801
- County Clerk certifies tax roll to County Treasurer	November 1	79-1803
- County Clerk certifies abstract of value, levy, and tax to Director of Property Valuation	November 15	79-1806a
- Tax Statements sent by County Treasurer	December 15	79-2001
- Tax Payments Due - Full or first half	December 20	79-2004 Real 79-2004a Personal
- Tax Payment Due - Second half	May 10	79-2004 Real 79-2004a Personal

CALENDAR of EVENTS
(Not all inclusive)

JANUARY	Description	K.S.A.
1	Annually, as of January 1, the COUNTY APPRAISER shall classify and value all taxable and exempt real property.	79-1459(e) 79-1455
1	First day for escaped real estate tax statements.	79-1475
1	COUNTY APPRAISER shall transmit the <u>taxable real property</u> appraisals and the <u>exempt real property</u> appraisals to the COUNTY CLERK continually upon the completion thereof.	79-1466
1	COUNTY APPRAISER shall commence transmitting the <u>taxable personal property</u> appraisals to the COUNTY CLERK continually upon the completion thereof.	79-1467
1	County shall maintain in the office of the COUNTY CLERK multiple copies of a listing of the assessed valuations of each parcel of real property located within the county; contents; open to public inspection during normal working hours.	79-1480
1	All tangible personal property subject to taxation shall be listed and assessed as of the first day of January each year.	79-301
15	COUNTY CLERK shall on or before January 15, prepare and forward to the county appraiser, director of property valuation and the state-assessed public utilities located in the county, a taxing unit map showing the boundaries of every taxing unit located within the county as of December 31 of the preceding year. OR certify in writing on or before January 15 that there is no change from most recent furnished map.	79-1468
15	COUNTY CLERK shall report to the STATE DIRECTOR of property valuation the total amount of valuation and taxes levied within the county upon motor vehicles under the provisions of article 51 of chapter 79.	79-1806b
20	On or before this date, the COUNTY TREASURER shall distribute the taxes collected for each taxing subdivision, not less than 95% of the estimated amount collected for and owed but not less than the amount actually collected and not more than 20 days prior to the distribution date, except for payments of any interest earned on the investment of the tax collections.	Ad valorem 12-1678a Motor Vehicle 79-5109

FEBRUARY	Description	K.S.A.
16	All taxes on personal property that remain unpaid shall be collected pursuant to statute.	79-2101(S)
20 On or before	The COUNTY TREASURER shall send a notice by mail to the taxpayer that such personal property taxes were assessed and to the address as shown by the records in the office of the COUNTY TREASURER.	79-2101(S)

MARCH	Description	K.S.A.
1	Deadline for COUNTY APPRAISER to notify each taxpayer of any change in value or classification	79-1460(S)
Equalization Appeals-30 days from date of CVN mailing	Taxpayers may complain or appeal the classification or appraisal of their property within 30 days from the date the COUNTY APPRAISER mailed the Change of Value notice.	79-1460(S)
15	Deadline for the listing of all tangible personal property and personally signed.	79-306
15	Last day for discovery of added personal property, except, beginning 1995, oil and gas will be April 1.	79-1422 (b)
16	First day for escaped personal property (up to 2 years), except beginning 1995, oil and gas will be April 2, if discovery was over a year past due.	79-1427a
20	On or before this date, the COUNTY TREASURER shall distribute the taxes collected for each taxing subdivision, not less than 95% of the estimated amount collected for and owed but not less than the amount actually collected and not more than 20 days prior to the distribution date, except for payments of any interest earned on the investment of the tax collections.	Ad valorem 12-1678a Motor Vehicle 79-5109

APRIL	Description	K.S.A.
1 On or before	Change in boundary of taxing district to be made on or before April 1 shall take effect for tax purposes as of the last day of December preceding the change.	79-1807a
1	Deadline for the listing of all oil and gas properties	79-332a
1	Last day for discovery of added oil and gas property.	79-1422(b) 79-332a
2	First day for escaped oil and gas property (up to 2 years), if discovery was over a year past due.	79-1422(b) 79-332a

MAY	Description	K.S.A.
1	Deadline for COUNTY APPRAISER to give taxpayer notice of classification and valuation of personal property.	79-1460 (S)
10	Second half taxes due to COUNTY TREASURER.	Real Property 79-2004 (S), Personal Property 79-2004a (S)

May 11	If unpaid, all taxes become delinquent and interest begins.	Real Property 79-2004 (S) Personal Property 79-2004a (S)
15	Deadline for taxpayer to appeal classification or valuation of personal property.	79-1448 (S)
15	Last day for informal equalization hearings of real property to take place.	79-1448 (S)
20	Deadline for final determination of value to be given by the COUNTY APPRAISER.	79-1448 (S)

JUNE	Description	K.S.A.
1	All taxes on personal property that remain unpaid shall be collected pursuant to statute.	79-2017 SG, JO, WY, SN 79-2101 All other counties.
5	On or before this date, the COUNTY TREASURER shall distribute the taxes collected for each taxing subdivision, not less than 95% of the estimated amount collected for and owed but not less than the amount actually collected and not more than 20 days prior to the distribution date, except for payments of any interest earned on the investment of the tax collections.	Ad valorem 12-1678a (S); Motor Vehicle 79-5109 (S)
10 On or before	The COUNTY TREASURER shall send a notice by mail to which personal property taxes were assessed to the address as shown by the records in the office of the COUNTY CLERK.	79-2101 (S)
15	COUNTY APPRAISER certifies completion of appraisal rolls.	Real property 79-1466 Personal property 79-1467
15	On or before June 15 each year the director of property valuation shall certify to the COUNTY CLERK of each county the amount of assessed valuation apportioned to each taxing unit for public utilities assessed under 79-5a01..	79-5a27
27	COUNTY TREASURER on or before June 27 shall send a notice by mail to person(s) owing personal property tax, which remain unpaid on June 1.	79-2017 for SG, JO, WY and SN counties
30	COUNTY CLERKS' statement to director of accounts and reports, contents; county responsible to state for levies after making adjustments.	79-2203

JULY	Description	K.S.A.
1	The COUNTY CLERK shall include public utility valuations as certified by the DIRECTOR of property valuation in the applicable taxing districts with all other assessed valuation in those taxing districts and notify the appropriate officials of each taxing district within the county of the assessed valuation estimates to be utilized in the preparation of budgets for ad valorem tax purposes.	79-5a27
1	The COUNTY CLERK shall transmit the exempt property rolls to director of property valuation as certified by the COUNTY APPRAISER pursuant to K.S.A. 79-1466 and 79-1467 and copies of all property exemption claim forms claiming Industrial revenue bonds and Economic development exemption.	79-1467b
1	Fire districts cannot be altered or organized after this date.	19-3606
1	Change in boundary of school district or community junior college district not to be altered for current year tax purposes after July 1.	79-1807b
1-10	The COUNTY TREASURER prepares a list of all real estate subject to sale.	79-2302
15 On or before	Abstract of assessment rolls shall be prepared and forwarded to the DIRECTOR of property valuation on or before July 15, in the form prescribed by the director and contain information on various subjects asked by the director of property valuation.	79-1604
25	All taxes and special assessments must be levied and certified by the CITY CLERK to the COUNTY CLERK prior to the 25 th of July each year, whenever the population of a city is greater than 175,000. All other cities will certify this information prior to August 25 th .	13-907

AUGUST	Description	K.S.A.
1	Last day for local governing bodies to meet and prepare budgets.	79-2927
1 On or before	The delinquent real estate property tax list is to be published once each week for three consecutive weeks.	79-2303
15	Last day for public hearing on budgets.	79-2933
25	The STATE BOARD of equalization shall adjourn.	79-1409
25	All taxes and special assessments must be levied and certified by the CITY CLERK to the COUNTY CLERK prior to the 25 th day of August each year unless the city has a population of 175,000 and the certification date would be July 25 th .	13-907
25	Governing bodies of all taxing subdivisions shall certify on or before August 25, the amount of ad valorem tax to be levied.	79-1801

SEPTEMBER	Description	K.S.A.
20	On or before this date, the COUNTY TREASURER shall distribute the taxes collected for each taxing subdivision, not less than 95% of the estimated amount collected for and owed but not less than the amount actually collected and not more than 20 days prior to the distribution date, except for payments of any interest earned on the investment of the tax collections.	Ad valorem 12-1678a Motor Vehicle 79-5109

OCTOBER	Description	K.S.A.
During October	COUNTY CLERK sets and certifies levies to taxing districts. COUNTY CLERK in home county notifies joint district counties of levies set.	79-1803
1 On or before	The SHERIFF shall make a return to the COUNTY TREASURER of tax warrants delivered.	79-2101
31	On or before this date, the COUNTY TREASURER shall distribute the taxes collected for each taxing subdivision, not less than 95% of the estimated amount collected for and owed but not less than the amount actually collected and not more than 20 days prior to the distribution date, except for payments of any interest earned on the investment of the tax collections.	Ad valorem 12-1678a Motor Vehicle 79-5109
31	Last day for COUNTY CLERK to correct clerical errors in assessment for current year.	79-1701 (S)

NOVEMBER	Description	K.S.A.
1	The COUNTY CLERK shall complete the tax roll, attach a certificate and deliver the roll to the COUNTY TREASURER, on or before November 1.	79-1803
1 (or as soon as the county treasurer receives the tax roll of the county)	The COUNTY TREASURER shall cause a notice to be published in the official county paper once each week for three consecutive weeks, stating in the notice the amount of taxes charged for state, county, township, school, city or other purposes for the year, on each \$1,000 of valuation. (LEVY SHEET)	79-2001
15	COUNTY CLERK shall on or before November 15 transmit statement of levies to state DIRECTOR of property valuation.	79-1806a
15	COUNTY CLERK shall transmit to the DIRECTOR of property valuation, in the format specified by the DIRECTOR of property valuation, a statement showing the total amount of taxes, other than motor vehicle taxes collected pursuant to article 51 of chapter 79 of the Kansas Statutes Annotated, levied in the county for all purposes in such year and the rate percent.	79-1806a

November 30	On or before November 30, the DIRECTOR of property valuation shall transmit to the <u>director of accounts and reports</u> and to the <u>state treasurer</u> a statement showing the valuation, levy and amount of tax for state purposes in each county in the state.	79-1806a
--------------------	--	----------

DECEMBER	Description	K.S.A.
15 On or before	COUNTY TREASURER mails to each taxpayer, as shown by tax rolls, a tax statement which indicates information required by statute. For tax year 1998, and all tax years thereafter, the treasurer shall mail to each taxpayer a tax information form stating current and previous value, levy, and tax comparisons and the percentage change. See section 'c' of the noted statute.	79-2001
15	COUNTY TREASURER shall distribute motor vehicle tax to all tax subdivisions except the state. The state distribution shall be made on or before January 20.	79-5108(c) 79-5109(b)
20 On or before	Full or first half taxes are due.	Real property 79-2004 Personal property 79-2004a
21	If first half of real property taxes remain unpaid, the first half of the tax shall draw interest at the rate prescribed by K.S.A. 79-2968 and amendments thereto.	79-2004 79-2968
21	If first half of personal property taxes remain unpaid after December 20, the entire and full amount of personal property taxes charged shall draw interest at the rate prescribed by K.S.A. 79-2968 and amendments thereto.	79-2004a 79-2968
31	Last day for treasurer's added real estate tax statements for current appraisal year.	79-1475

The Valuation of Public Utilities

The Division of Property Valuation is required to annually determine the Fair Market Value of all Public Utilities operating in Kansas. The utility assessment rate at 33% is 32% higher than the 25% assessment rate of commercial and industrial property.

What constitutes a Public Utility is defined by law in KSA 79-5a 01. The definition includes railroads, pipelines, telephone companies, electric companies, water companies, and barge lines. This includes generating facilities and gas storage facilities.

The market value the Division seeks encompasses all types of property used in the utility business and it attempts to achieve this in an all-inclusive value called the "unit value". For all commercial and industrial properties as well as residential properties a County appraiser is required to capture the market value of the real property assets. They then separately appraise personal property assets. The combination of the two produces the assessment and ultimately the tax bill for the taxpayer.

The market value the Division is looking for encompasses all real, personal, tangible and intangible property including inventories and the value is captured in one appraisal operation.

The methods the Division uses to produce the value indicators from which the market value is determined are the standard appraisal methods that you have heard about. Namely the cost approach, the market approach, and the income approach.

The Division utilizes several different cost approaches. We use:

- 1) an original cost approach consisting of the original cost of all property in the utility business.
- 2) an original cost less depreciation approach. Which is the original cost less the loss in market value ascribed by the accountants.
- 3). a reproduction cost less depreciation approach. Which is the cost to construct, at current prices, an exact duplicate of the property and depreciate the property by statistical means drawn from studies.

The Division generally relies on only one market approach. The direct sales comparison approach used by some counties is generally unavailable to the utility appraiser simply because there are insufficient sales of utility companies to make a comparison. The sales approach the Division utilizes is called the "Stock and Debt" approach. Its theory rests on the premise that the market value of the stock and the market value of the debt, as exchanged in the financial markets, represent the market value of the total property.

The Division considers the income approach the most reliable in determining the Fair market Value of utility companies because it believes a utility property is as valuable as the income stream it produces. The income approach consists of converting an income stream into a total property value. The conversion is accomplished by determining an appropriate capitalization rate using financial and appraisal guidelines and dividing a forecast income by that rate.

Using the value indicators as a guide the Division's appraisers estimate a total market value for the company. If the company's property is not fully in Kansas a value is allocated using the fair market value estimate and the percent of assets in Kansas against the total of the company's assets.

The market value in Kansas is likewise distributed to each taxing unit in Kansas by the amount of original cost assets in the taxing unit to the total assets in Kansas. The taxing unit value assessments are distributed to the counties on June 15 of each year and the county treasurers send out tax bills accordingly to each company with assets in their county.

Valuation Process

Each parcel of real property is unique and many different values can be estimated for a single property. The most common value sought; is that of estimating market value. Indeed, K.S.A. 79-501 requires "Each parcel of real property shall be appraised at its fair market value in money...". A valuation process accommodates all the steps appropriate and necessary to the responsibility of estimating market value.

In assignments to estimate market value, the ultimate goal of the valuation process is a well supported value conclusion that reflects all the factors that influence the market value of the property being appraised. To achieve this goal, an appraiser studies a property from three different view points, which correspond to three traditional approaches to value. The three approaches are interrelated: each requires the gathering and analysis of cost, sales, and income data that pertains to the property being appraised.

1. The cost approach requires accumulating current cost of reproducing or replacing the improvements (building), minus loss in value from depreciation (physical deterioration and functional/economic obsolescence), plus the site (land) value. This process begins with the estimated value of the land, preferably derived from sales data which is added to the current depreciated construction cost of the improvements. The value is the sum of the depreciated improvement cost and the site value.

2. The sales comparison approach reflects the value as indicated by recent sales of comparable properties in the market. The characteristics of the sold properties are analyzed for their similarity to those of the subject of the appraisal. Because no two parcels are exactly alike, the prices of the sold properties must be adjusted for any differences between the properties and the subject. Value indications derived from the sales comparison approach are usually considered particularly significant because they express the reactions of buyers and sellers in the real estate market.

3. The income approach reflects the property's earning power based on the capitalization of the property's ability to generate income. The income approach defines value as the present worth of future benefits from the ownership of property. Income producing property typically is purchased for the right to receive the future income stream of the property. The appraiser analyzes the income stream as to quantity, quality and duration and then converts it by means of an appropriate capitalization rate into an indication of market value.

All three approaches to value are applicable to many appraisal problems, but one or more of the approaches may have greater or lesser significance in a specific assignment. For instance, the income approach does not lend itself to the valuation of single family residences, which are typically not purchased for their income producing abilities or industrial properties where owner-occupants outbid investors. The cost approach is not applicable to the valuation of vacant land. The sales comparison approach is usually eliminated in the valuation of a public library or zoo, where no useful sales information is available. Still, when the three approaches are applied; the appraiser derives separate indications of value for the property being appraised. One or more of the approaches may not be applicable to a specific assignment or may be less reliable due to the nature of the property, the needs of the client, or the data available.

To complete the valuation process, the appraiser integrates the information drawn from market research and data analysis and from the application of the approaches to form a value conclusion. Through the appraiser's skill, experience and judgment in integrating all elements of the appraisal process the market value of a property is determined.

Brief Explanation of the Statute and Overview

There are two commonly used valuation standards in ad valorem tax systems--market value and use value. Kansas uses market value for the primary basis of valuation but there are exceptions to that rule. Agricultural land is one of those exceptions.

Use value, when applied in the valuation of agricultural land, attempts to determine a value based upon the actual production of the land and removes other influences that affect the market value of real estate. A survey of all fifty states revealed that forty-three employ some version of use value, rather than a market value standard, for determining agricultural land values for property tax purposes.

There are three typical farming and ranching types of operation: owner operated, cash rented, and landlord/tenant crop share basis. When agricultural land is not owner operated, the most common method of renting agricultural land in Kansas is on a landlord/tenant crop share basis. This method of arriving at net income is used in Kansas as well as in a majority of other states. By using the landlord's share method, the net income to the land or real estate is isolated.

To stabilize values from large swings in the economy, the statute requires eight years of cropping data be used to stabilize net incomes and values. This adds a complexity to the valuation process that makes understanding somewhat difficult to explain. Eight years of crops produced, yields, and commodity prices are averaged to an annual basis. Using eight years of data creates a more consistent tax bill for agricultural property owners and also provides local governments with even revenue to provide local services such as farm to market roads and other local services needed.

Using wheat production as an example, with seven average years - twenty-eight to forty-one bushels per acre, and one poor yield year - five bushels per acre, the eight-year average is:

$$\frac{36+33+38+41+28+32+37+5}{8} = \frac{250}{8} = 31.25$$

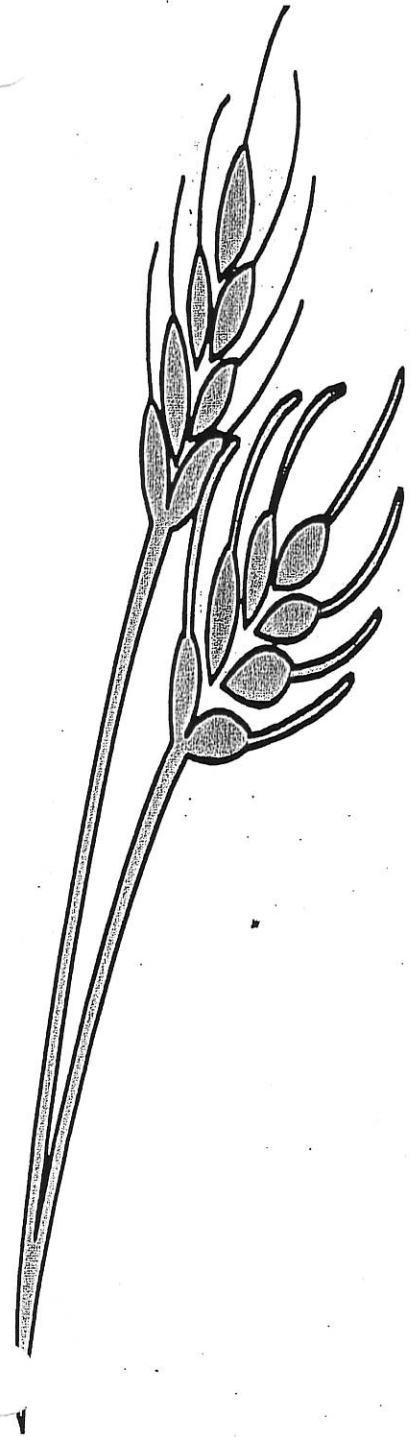
The example illustrates that one low yielding year does bring the average yield down, however only slightly, about ten percent. Equally important are commodity

prices, a second factor. In the above illustration when yields are down, wheat prices increase, the weighted average of the poor yielding year has even less of an impact.

A third factor, which is more constant than yields and prices are production costs, or the expenses of seed, fertilizer, herbicides, and other expenses paid by a landlord, in a crop sharing arrangement. These expenses are incurred independent of yields.

A fourth factor of use valuation is determining a capitalization rate. Kansas's statute specifies the capitalization rate is based on a five-year average of what is now the Farm Credit Service new land loan rate as of July 1st of each year. Again, this is a five-year average, which is fairly interdependent of the agricultural economy. In addition the rate includes an add on rate of $\frac{3}{4}$ of a percent and the director has a discretionary rate of up to 2 percent. Kansas is the only state with this added rate. Currently a floor of 11% or a ceiling of 12 % applies to the capitalization rate before the county tax rate is included.

Kansas Agricultural Land Valuation



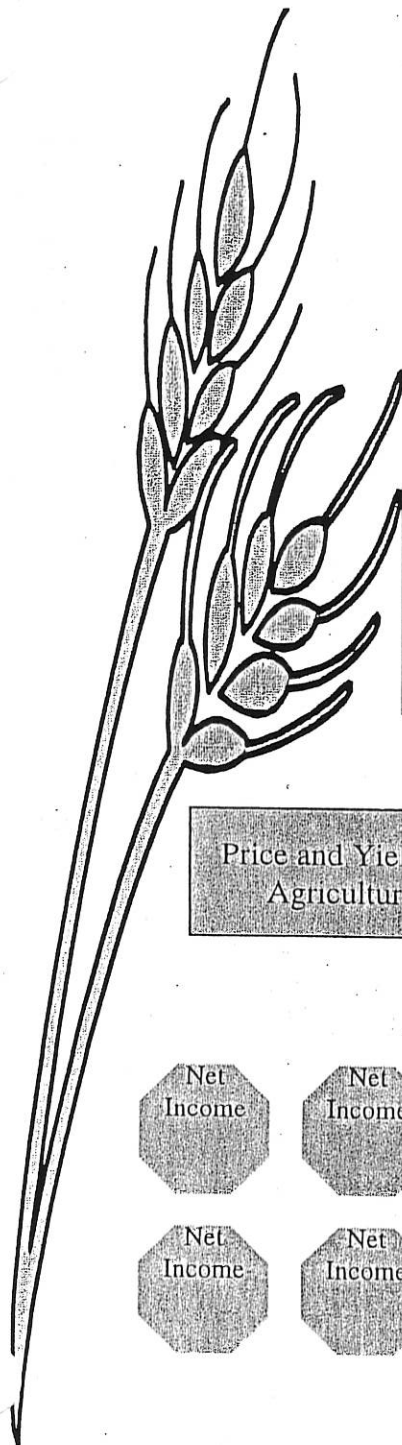
Basic Valuation Process

$$\frac{\text{Gross Income} - \text{Expenses}}{\text{Net Income}} \div \frac{\text{Capitalization Rate}}{\text{Ag Use Value}}$$

Capitalization Rate for 2007

	Year	Loan Rate
Federal Land Bank / Farm Credit Bank	2001	6.21%
Ag Land only	2002	5.58%
Loan Rate	2003	5.67%
	2004	5.99%
	2005	6.89%
Five Year Average		6.07%
Statutory Add On Rate:		+ 0.75%
Directors Add on:		+ <u>2.00%</u> (Out of the 2.00 % 8.82% Directors Discretion)
Capitalization Rate: SB 553		= 8.82% 11.00%
County Agricultural Tax Rate: (Average for the State)		+ 3.30% (County Specific rate is actually used)
Overall Capitalization Rate: (Average for the State)		= 14.30%

Crop Land Valuation



Gross Income
is
Price X Yield

Price and Yield from Kansas
Agricultural Statistics

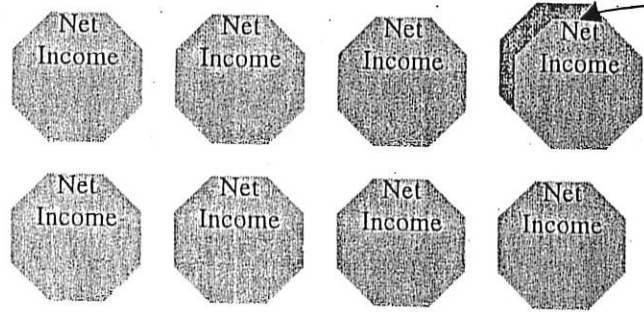
Less

Expenses
includes
Production Costs
Management Fee

Survey of Custom Applicators
Farm Lease Arrangement Survey

Equals

**Net
Income**



÷

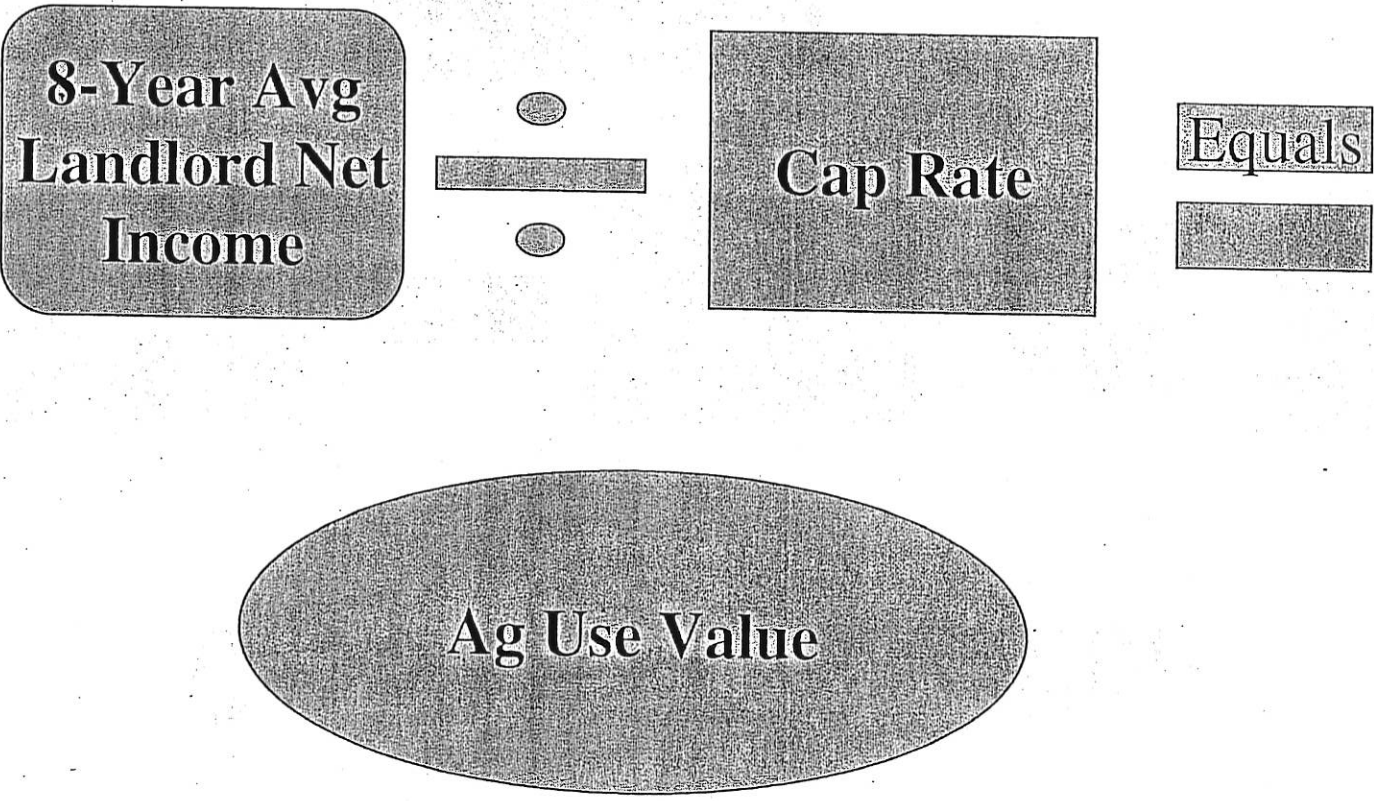
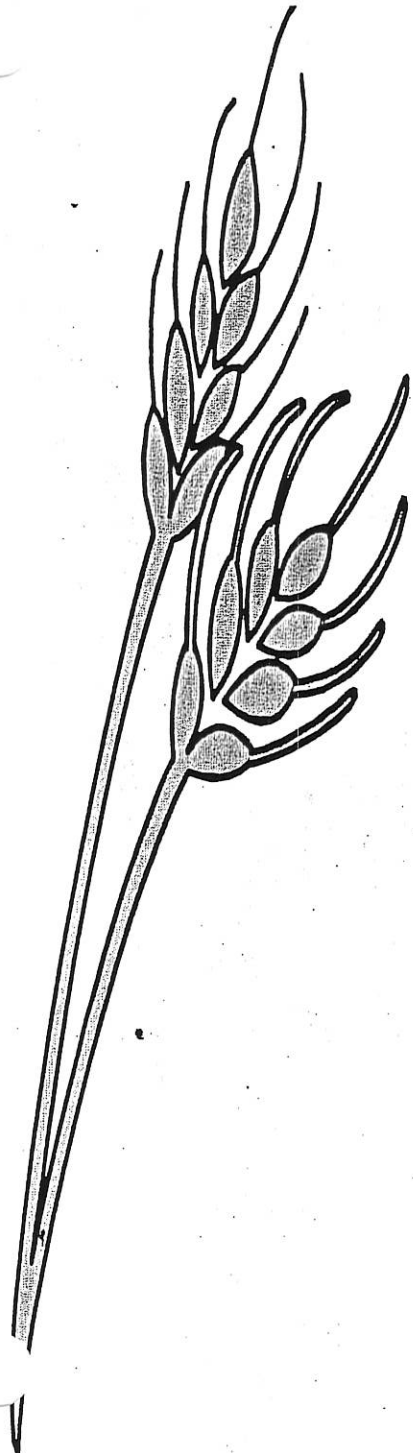
8

Equals

**8-Year Avg
Landlord Net
Income**

Crop Land Valuation

(LNI Capitalized into Value)



Personal Property Classification & Assessment

Kansas law requires that property be taxed uniformly and equally as to class and unless otherwise specified, valued based upon its fair market value as of January 1.

Article 11, Section 1 of the Kansas Constitution places real property and personal property into separate classes. Tangible personal property is placed into Class 2, which is further classified into six subclasses that are valued and assessed as follows:

<u>Class & Subclass</u>	<u>Property Type</u>	<u>Value Method</u>	<u>Assmt. Rate</u>
2.01	Manufactured Homes (Residential)	Market	11.5%
2.02	Mineral Leasehold Interests (Oil & Gas) Low Production Leasehold Interests	Market Market	30% 25%
2.03	Public Utilities (State Assessed)	Market	33%
2.04	Motor Vehicles (registered 24M+ or Non-Hwy titled)	Market	30%
2.05	Com/Ind Machinery & Equipment – The retail cost when new of the property is depreciated over its economic life with a maximum of 7-yrs depreciation. However, the appraised value can not be less than 20% of the retail cost when new.	Formula	25%
2.06	All Other Tangible Personal Property (not otherwise specifically classified) – Property which may qualify includes aircraft, watercraft, non-commercial trailers, Com/Ind. Mach & Equip no longer used for production of income, off-road motorcycles, mopeds & ATVs.	Market	30%

Motor vehicles may also be classified according to Kansas Statute. Vehicles that are classified by statute are valued and assessed as follows:

KSA 5100 series	Taxed when Tagged Motor Vehicles (motorcycles, automobiles and trucks that are registered 12,000 lbs. or less) The mid-point of the class code value is depreciated at a rate of 15% per calendar year down to a minimum tax.	Formula	20%
KSA 5105a	16/20M Motor Vehicles (vehicles having a gross vehicle weight that is more than 12,000 lbs. but less than 20,001 lbs.) Value is based on the same formula as taxed when tagged motor vehicles.	Formula	20%
KSA 5118	Recreation Vehicles which are "RV Titled" – the taxes are based upon age and weight of the vehicle.	Formula	N/A

MOTOR VEHICLE COUNTY LEVY CERTIFICATION

Pursuant to K.S.A. Chapter 79, Article 51 as amended
 Certified to the Director of Motor Vehicles, Department of Revenue, State of Kansas
 by the Director of Property Valuation
 February 3, 2006

I hereby certify the 2005 county average tax rate (mill levy), stated as a decimal multiplier per dollar of assessed valuation. The adjusted county levy tax rate is noted in the column headed as **2007 Motor Vehicle Co. Avg. Levy**, and is provided for use in determining the tax obligation during 2007 for motor vehicles taxable pursuant to K.S.A. Chapter 79, Article 51, and amendments thereto. K.S.A. 79-5105 (c) states in part "...and (5) as of November 1, 1998 such date in all years thereafter, such rate shall be computed without regard to the general property taxes levied by school districts pursuant to Senate Bill 171, Section 6 (3)(b), and amendments thereto."

County	2005 Avg. County Levy	2007 Motor Vehicle Co. Avg. Levy	County	2005 Avg. County Levy	2007 Motor Vehicle Co. Avg. Levy	County	2005 Avg. County Levy	2007 Motor Vehicle Co. Avg. Levy
Allen	0.130741	0.110741	Greeley	0.130818	0.110818	Osborne	0.154394	0.134394
Anderson	0.126480	0.106480	Greenwood	0.140757	0.120757	Ottawa	0.132149	0.112149
Atchison	0.127377	0.107377	Hamilton	0.119374	0.099374	Pawnee	0.149236	0.129236
Barber	0.123894	0.103894	Harper	0.150092	0.130092	Phillips	0.143668	0.123668
Barton	0.146518	0.126518	Harvey	0.124315	0.104315	Pottawatomie	0.080380	0.060380
Bourbon	0.138597	0.118597	Haskell	0.074964	0.054964	Pratt	0.156549	0.136549
Brown	0.119837	0.099837	Hodgeman	0.154236	0.134236	Rawlins	0.140900	0.120900
Butler	0.136987	0.116987	Jackson	0.125131	0.105131	Reno	0.143062	0.123062
Chase	0.123475	0.103475	Jefferson	0.124099	0.104099	Republic	0.147982	0.127982
Chautauqua	0.144156	0.124156	Jewell	0.143102	0.123102	Rice	0.135463	0.115463
Cherokee	0.099508	0.079508	Johnson	0.110367	0.090367	Riley	0.110428	0.090428
Cheyenne	0.094025	0.074025	Kearny	0.072402	0.052402	Rooks	0.129010	0.109010
Clark	0.163827	0.143827	Kingman	0.118408	0.098408	Rush	0.149229	0.129229
Clay	0.138172	0.118172	Kiowa	0.102842	0.082842	Russell	0.170560	0.150560
Cloud	0.154651	0.134651	Labette	0.161328	0.141328	Saline	0.107225	0.087225
Coffey	0.068999	0.048999	Lane	0.138695	0.118695	Scott	0.124805	0.104805
Comanche	0.124275	0.104275	Leavenworth	0.117889	0.097889	Sedgwick	0.113787	0.093787
Cowley	0.146055	0.126055	Lincoln	0.151509	0.131509	Seward	0.112402	0.092402
Crawford	0.119514	0.099514	Linn	0.093423	0.073423	Shawnee	0.133688	0.113688
Decatur	0.131089	0.111089	Logan	0.121821	0.101821	Sheridan	0.117232	0.097232
Dickinson	0.113222	0.093222	Lyon	0.134709	0.114709	Sherman	0.117763	0.097763
Doniphan	0.106468	0.086468	Marion	0.133466	0.113466	Smith	0.165567	0.145567
Douglas	0.108723	0.088723	Marshall	0.129743	0.109743	Stafford	0.139954	0.119954
Edwards	0.130801	0.110801	McPherson	0.117282	0.097282	Stanton	0.093255	0.073255
Elk	0.152595	0.132595	Meade	0.106210	0.086210	Stevens	0.069951	0.049951
Ellis	0.106490	0.086490	Miami	0.111290	0.091290	Sumner	0.155958	0.135958
Ellsworth	0.146928	0.126928	Mitchell	0.145165	0.125165	Thomas	0.136442	0.116442
Finney	0.107684	0.087684	Montgomery	0.144266	0.124266	Trego	0.140416	0.120416
Ford	0.160303	0.140303	Morris	0.110562	0.090562	Wabaunsee	0.124603	0.104603
Franklin	0.136375	0.116375	Morton	0.087408	0.067408	Wallace	0.115101	0.095101
Geary	0.137380	0.117380	Nemaha	0.117822	0.097822	Washington	0.145737	0.125737
Gove	0.112677	0.092677	Neosho	0.155424	0.135424	Wichita	0.143343	0.123343
Graham	0.129657	0.109657	Ness	0.120969	0.100969	Wilson	0.121535	0.101535
Grant	0.074806	0.054806	Norton	0.128573	0.108573	Woodson	0.139023	0.119023
Gray	0.122271	0.102271	Osage	0.116976	0.096976	Wyandotte	0.158016	0.138016

2005 Average Statewide Mill Levy **0.117510**

Value of M V	Assessment	Assessed Value	
		\$3,000	\$3,000
\$15,000	20%		
	Coffey	0.048999	Osage
	MV Tax	\$147.00	\$290.93

\$3,000	MV Levy	MV Tax
Coffey	0.048999	\$147.00
Russell	0.15056	\$451.68

How is personal property valued and assessed?

The Kansas Constitution places personal property into Class 2, which is further divided into six subclasses. A brief description of each personal property subclass and the manner in which it is valued and assessed for purposes of property taxation is outlined below. Guidelines for valuing personal property can be found on the Property Valuation website. The *Personal Property Valuation Guide* provides the guidelines for valuing mobile/manufactured homes, motor vehicles, commercial/industrial machinery and equipment, and other tangible personal property. Additional guidelines for valuing mobile/manufactured homes can also be found in the *Mobile/Manufactured Home Appraisal Guide*. The *Kansas Oil & Gas Appraisal Guide* provides the guidelines for valuing oil and gas property. Information pertaining to the valuation of state appraised railroads and public utilities can be found on the website under- "Public Utilities".

2.01 Mobile/Manufactured Homes used for residential purposes:

Mobile and manufactured homes are built on a permanent chassis and designed to be used as a dwelling, with or without a permanent foundation. Kansas law states that all mobile and manufactured homes are considered personal property unless:

- 1) The title to the home is in the same name of the person (or spouse of the person) who holds title to the land the home is located on, AND
- 2) The home is on a permanent foundation.

Mobile and manufactured homes that are used for residential purposes are valued at their fair market value as of January 1 and are assessed at a rate of 11.5%. Homes classified in the Mobile Home subclass are not prorated onto or off of the tax toll.

2.02 Mineral Leasehold Interests (Oil & Gas):

For purposes of taxation, oil and gas leases, oil and gas wells, all casing, tubing and other equipment and materials used in operating oil and gas wells are considered personal property. Oil and gas interests are valued at market value and assessed at 30%, *except* leasehold interests with an average daily production of five barrels or less and natural gas leasehold interests with an average daily production of 100 mcf or less, which shall be assessed at 25%.

2.03 Public Utilities:

The Kansas Department of Revenue, Division of Property Valuation, appraises property owned by public utilities and railroads. Public utility property is valued based upon the fair market value of "unit" and it is assessed at 33%.

2.04 Motor Vehicles:

Kansas law defines a motor vehicle as "every self-propelled device in which any person or property may be transported or drawn upon a public highway..." The manner in which a motor

vehicle is registered will determine how it is appraised for property tax purposes. Motor vehicle values can be prorated according to provisions in the Kansas statutes (except for state assessed and rental excise taxed motor vehicles). [K.S.A. 79-306d, 79-5107]

Motor vehicle categories for taxation purposes are:

Taxed When Tagged – Motor vehicles registered with a tag weight of 12,000 lbs. or less. Taxed when tagged motor vehicle taxes are based on a formula driven value. The formula is based on the estimated wholesale value of the vehicle when it is first offered for sale. We estimate the wholesale value of motorcycles, autos and light duty trucks by taking the MSRP X 85%. For medium duty trucks the formula is MSRP X 70%. The vehicle is assigned a class code based on the value range in which the estimated wholesale value falls. The midpoint value of the class code range depreciates 15% per year. The class code remains the same for the life of the vehicles. The midpoint value from each class code value range is multiplied by the 20% assessment rate, then multiplied by the county's average motor vehicle levy (mill rate) from two years prior, to arrive at the personal property tax amount. The vehicle taxes are calculated through the state Vehicle Information Processing System (VIPS) in the county treasurer's office and must be pre-paid at time of registration. The value can not be adjusted for condition or mileage of the vehicle. [K.S.A. 79-5100 series]

Tax Roll – Motor vehicles registered with a tag weight of 24,000 pounds or more, or registered with a non-highway title. Tax roll motor vehicles are valued at market value and assessed at 30%. The taxes are paid in arrears for the calendar year. The appraiser can adjust the value for condition on an individual basis. [K.S.A. 79-306d]

16M/20M – Motor vehicles having a gross vehicle weight that is more than 12,000 lbs. but less than 20,001 lbs. 16M/20M motor vehicle taxes are based on a formula driven value that is assessed at 20%. The taxes are paid in arrears for the calendar year. The value can not be adjusted for condition or mileage of the vehicle. [K.S.A. 79-5105a]

RV Titled Recreational Vehicles – Motor homes, campers and travel trailers that meet the statutory requirements to be registered with an RV Title. To be RV titled a recreational vehicle must have an electrical system that operates above 12 volts, plumbing, heating, and any other standard features adopted in the uniform standards code. RV titled recreational vehicles are valued and taxed based upon age and weight of the vehicle. The taxes are calculated through the state Vehicle Information Processing System (VIPS) in the county treasurer's office and must be pre-paid at time of registration. [K.S.A. 79-5118 – 79-5121]

State Assessed – Motor vehicles registered with the Kansas Corporation Commission (KCC) or the Interstate Commerce Commission (ICC) that operate under a "haul for hire" authority, and motor vehicles belonging to railroads or public utilities are appraised by the State Property Valuation Division (PVD). For property tax purposes, all state assessed property is reported to PVD on property tax renditions provided by the state. [K.S.A. 79-6a01]

Rental Excise Tax – Motor vehicles leased by rental companies for periods not exceeding 28 days are taxed based upon 3 ½% of gross receipts. Qualifying vehicles are reported to the Kansas Department of Revenue for property tax purposes. [K.S.A. 79-5117]

Exempt – Motor vehicles that qualify for state or federal personal property tax exemption.

2.05 Commercial/Industrial Machinery and Equipment:

Generally speaking, commercial and industrial machinery and equipment is any taxable tangible personal property that is used to produce income or is depreciated or expensed for IRS purposes, except state assessed property and motor vehicles.

Commercial personal property is not valued at market value, rather it is valued based upon a formula laid out in the Kansas Constitution and in K.S.A. 79-1439.

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, 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. This subclass of personal property is assessed at 25%. There are no provisions in the Kansas statutes for the proration of commercial and industrial machinery and equipment.

2.06 All Other Personal Property Not Elsewhere Classified:

Personal property that can not be classified into any of the previous five constitutional subclasses of personal property is classified as Other Personal Property Not Elsewhere Classified (“Other”). Personal property in this subclass is appraised at market value as of January 1 and assessed at 30%. With the exception of watercraft, Kansas law does not provide for the proration of property in the “Other” subclass.

Property that may qualify for the “Other” subclass includes:

Aircraft – airplanes, helicopters, hot air balloons, ultra lights, etc.

Off Road Vehicles – snowmobiles, golf carts, off road motorcycles, mopeds, ATVs, etc.

Watercraft – inboard and outboard boats, boat motors, boat trailers, sailboats, houseboats, pontoons, canoes, jet skis, etc.

Truck Campers & Travel Trailers – which do not meet the statutory requirements for an “RV” Title.

Trailers (non-commercial use) – utility trailers, horse trailers, snowmobile and motorcycle trailers, or any other trailer used by an individual for personal use.

Truck Beds (non-commercial use) – beds on a “chassis cab” motor vehicle, which are used by an individual for personal use.

Machinery and Equipment - which is *no longer being used* for commercial purposes and has a retail cost when new that is greater than \$400 per item.

Materials and Supplies – which has a retail cost when new that is greater than \$400 per item

Late Filing Penalties:[5% - 25%]

[K.S.A. 79-1422]

If **within one year following the March 15th filing deadline**, a taxpayer files a listing (or an addition to a listing) of their personal property, the appraiser must apply a late filing penalty to the assessed value of the property. The late filing penalty is applied only to that portion of the property that is filed after the March 15th deadline. The penalty for late filing is 5% per month up to a maximum of 25%. The penalties are applied as follows:

<u>Date Rendition Filed</u>	<u>Penalty</u>
March 16 through April 15	5%
April 16 through May 15	10%
May 16 through June 15	15%
June 16 through July 15	20%
July 16 through March 14 of the following year	25%

➤ **Failure to File Penalties:** [50%]

[K.S.A. 79-1422]

If **within one year following the March 15th filing deadline**, the county discovers a taxpayer failed to file a rendition or failed to file a *complete* rendition, the county appraiser must determine the assessed value of the property and apply a 50% penalty. In instances where the taxpayer fails to file a *complete* rendition, the penalty is applied only to the omitted or underreported property.

If the county appraiser discovers property that was omitted from the tax roll after June 15th of the current tax year (the date the appraiser certifies the tax roll to the county clerk), but prior to March 15th of the upcoming tax year, the *county clerk* must place the property on the tax roll as an added tax and apply a 50% penalty to the assessed value.

Note: If a failure to file penalty is applied to the taxpayer's value then the taxpayer later files his rendition *within one year of March 15th*, the failure to file penalty is no longer applicable. Therefore, the appraiser must apply the appropriate *late filing* penalty to the assessed value in place of the failure to file penalty.

➤ **Escaped Penalties:** [50%]

[K.S.A. 79-1427a]

If the county appraiser discovers property that was omitted from the tax roll or property that was underreported for whatever reason, **one year after the March 15th filing deadline**, it shall be considered to have "escaped" taxation. The county appraiser must determine the assessed value of the property and apply a 50% penalty. The county appraiser shall include any property that was subject to taxation in any of the two years prior to January 1 of the calendar year in which it was discovered. The "discovery date" is the date the property is placed on the tax roll and a bill is sent to the owner.

PROPERTY TAX EXEMPTIONS

The property tax is still the largest, single source of revenue in Kansas. It now generates over \$3 billion per year. The property tax funds local services—those services that most of us can see taking place each day. City and county governments use property taxes to provide money for roads, streets, parks, ambulance, fire and police protection and other services. Property taxes are also used to fund schools.

The property tax, in theory, has appeal due to its inherent fairness. The cost of local services is spread each year across the value of taxable property. The property tax is a locally administered tax that can be applied to all property uniformly. The property tax is a stable tax--when administered correctly, it provides no more and no less than what is needed for local services. The property tax provides a needed balance to a state's overall tax system (i.e., sales and other excise taxes, income tax and property tax).

All property that is not expressly exempt is subject to taxation (K.S.A. 79-101). The number of exemptions has increased from approximately 12 in 1967 to more than 70 today. The exemptions can be broken down into the following general categories: Personal, Farm, Business, Military, Governmental, Nonprofit, Religious, Educational, Charitable, Humanitarian, and Economic Development.

When property is exempt from property tax, the property taxes do not correspondingly disappear. The property tax funds local services. The cost of providing local services does not decrease simply because property is exempted. For example, an exempt property will still need fire and police protection, and upkeep for surrounding public roads and bridges, *etc.* The cost of providing these services shifts to other taxable property.

The Kansas courts have stated:

- The obligation to pay taxes is co-extensive with the protection received.
- The burden of supporting state and local governments and the protections they provide should be borne equally by all.
- An exemption from taxation is a release from this obligation.
- It is the receiving of protection without contributing to the support of the authority which protects.
- It is an exception to a rule, and is justified and upheld upon the theory of peculiar benefits received by the state from the property exempted.
- Taxation is the rule and exemption is the exception. All doubts are to be resolved against exemption and in favor of taxation.
- The legislature has the authority to enact exemptions in addition to or broader than those prescribed by the Kansas constitution, unless it is constitutionally prohibited.
- The legislature is the judge of what exemptions are in the public interest and will be conducive to the public welfare.

In *State ex rel. Tomasic v. City of Kansas City*, 237 Kan 572, 701 P.2d 1314 (1985), the Kansas Supreme Court elaborated, holding that in order to be considered constitutional, a property tax exemption must:

1. Have a public purpose and be designed to promote the public welfare;
2. provide a substantial peculiar benefit;
3. not allow for large accumulations of tax-exempt property; and
4. not create an improper or preferential classification of property.

HS TAXATION COMMITTEE
1-19-2007
ATTACHMENT 12

In order to obtain an exemption for property, taxpayers must generally apply for exemption pursuant to the procedures set forth in K.S.A. 79-213. Basically, the exemption application is completed by the taxpayer and filed with the county appraiser of the county where the property is located. The county appraiser reviews the application and makes recommendations concerning the application. The application is then forwarded to the Board of Tax Appeals for consideration. If the taxpayer or the county does not agree with the Board of Tax Appeals decision, an appeal may be made to the Court of Appeals.

There are a few property exemptions listed in K.S.A. 79-213(l) for which the county appraiser has the authority to remove the property from the tax rolls without an application being filed and a decision by the Board of Tax Appeals. As examples, farm machinery, household goods and personal effects, property used by a governmental entity for right-of-way purposes and the exemption for up to \$20,000 of the value of residential property from the statewide school mill levy. However, if there is a disagreement between the taxpayer and the county as to whether the property should be exempt, an application may be made and the Board of Tax Appeals will rule on the exemption.

There are specific requirements for Article 11, Section 13 of the Kansas Constitution economic development exemptions and industrial revenue bond exemptions. See Kansas Constitution Article 11, Section 13; K.S.A. 79-201a Second, 79-221, 79-250, 79-251, 79-252a, 79-253, and 12-1740 et seq.

When Property is Exempt -- Illustration:

Property tax exemptions are different from sales tax or income tax exemptions. When a transaction or certain income is exempt from the sales or income tax, less tax is due and collected. When property is exempt, the property tax does not decrease; rather, the cost of local services shifts to taxable property.

Consider how at a very basic level the property tax is determined each year. The county appraiser appraises and assesses all taxable property and certifies these values to the county clerk by June 15th. Local governing bodies and taxing subdivisions certify their budgetary needs for the upcoming year to the county by August 25th. The county clerk computes the mill levies by November. With the exception of the 20-mill school levy and the 1.5 state building levy, the mill levy is computed as follows:

Budgeted Amount Needed to Fund Local Services
Less: Revenue from Other Sources
Equals: Net Amount Needed From Property Tax
Divided by: Assessed Value of Taxable Property
Equals: Mill Levy to Be Applied to Each Taxable Property

When the taxes on each individual property are added together, the total equals what was needed for the budget (absent tax collection problems, etc.). When administered correctly, the property tax provides no more and no less than what is needed for local services.

Simplified Example

Total budgeted amount needed to operate local government:	\$ 1,000,000
Revenue from sources other than the property tax	<u>200,000</u>
Amount of revenue needed from property tax	\$ 800,000
Total assessed value of all taxable property in the district	\$ 8,000,000
Mill levy (divide revenue needed by total assessed value)	100 mills

Now, assume that additional property with an assessed value of \$2,000,000 has been exempted:

Total budgeted amount needed to operate local government:	\$ 1,000,000
Revenue from sources other than the property tax	<u>200,000</u>
Amount of revenue needed from property tax	\$ 800,000
Total assessed value of all taxable property in the district	\$ 6,000,000
Mill levy (divide revenue needed by total assessed value)	133 mills

As a result of the exemption, each owner of the remaining taxable property will have to pay more in taxes in order to pay for local services that are provided to their property and the exempt property.

To illustrate, assume that a banquet is planned for 20 people at a cost of \$15 per person. The total \$300 cost of the banquet for 20 people does not decrease simply because only 12 people will actually be paying for the banquet. Rather, the cost per person increases. Instead of the banquet costing \$15 per person for 20 people, the cost will be \$25 per person for the 12 people who will pay the bill. The total cost of the banquet is not reduced; it shifts to those designated as paying attendees.

D. List of Exemption Statutes:

All property that is not *expressly* exempt is subject to taxation. (K.S.A. 79-101). There must be constitutional or statutory authority for property to be exempt.

<i>Ks. Statute</i>	<i>Description</i>
--------------------	--------------------

Personal Exemptions:

- | | |
|----------------|--|
| K.S.A. 79-201c | All household goods and personal effects not used for the production of income. Household goods and personal effects shall not be deemed to be used for the production of income when used in the home for registered or licensed day care operations. Wearing apparel of every person, pick-up truck shells, sailboards, etc. |
| K.S.A. 79-220 | Antique aircraft: model year must be 30 yrs. old or older, and used exclusively for recreational or display purposes. |
| K.S.A. 79-201x | Exempts the first \$20,000 of appraised value for residential property from the statewide school finance mill levy. |

Farm Exemptions:

- | | |
|-----------------------|--|
| K.S.A. 79-201j | Farm machinery and equipment |
| Art. 11 Sec. 1 Const. | Livestock |
| K.S.A. 79-201d | Hay, silage, farm storage & drying equipment and hay storage structures. |

Business Exemptions:

- | | |
|----------------------------------|---|
| K.S.A. 79-201
<i>Eleventh</i> | Renewable energy resource or technology property (wind, solar, thermal, photovoltaic, biomass, hydropower, geothermal and landfill gas resources or technologies). |
| K.S.A. 79-201
<i>Twelfth</i> | Personal property actually and regularly used predominantly to collect, refine or treat landfill gas or to transport landfill gas from a landfill to a transmission pipeline and the landfill gas produced. |
| K.S.A. 79-201k | Business aircraft used predominantly to earn income for the owner in the conduct of the owner's business or industry. If the owner's business is leasing of aircraft, the lessee's use of the aircraft shall not be considered in determining the exemption. Predominantly means at least 80% of the total use of the aircraft or utilization of the aircraft such that all of the aircraft costs are deductible for federal income tax purposes. |

K.S.A. 79-201m	Merchant's and Manufacturer's Inventory
K.S.A. 79-201o	Construction hand tools
K.S.A. 79-219	Mechanic's hand tools
K.S.A. 79-201p	Motor vehicles held as inventory for sale by motor vehicle dealers.
K.S.A. 79-201t	Certain low-producing oil leases, exemption broadened in 1998 to include average daily production of 3 barrels and 5 barrels (completion depth of 2,000 feet or more).
K.S.A. 79-201w	Any item of machinery, equipment, material and supplies which had a retail cost when new of \$400 or less (January 1, 2007 this increases to \$1,500).
K.S.A. 79-215	Personal property held for sale or display at (and in connection with) a fair, exposition, trade show, auction, bazaar, flea market or convention.
K.S.A. 79-201a <i>Second</i>	Industrial Revenue Bond funded property (exempt up to 10 years); property located in a redevelopment project area; and rabbit or swine confinement are precluded (also see K.S.A. 12-1749b).
K.S.A. 79-221	Certain leased property integrally associated with property exempt under Article 11, Chapter 13 of the Kansas Constitution.
K.S.A. 79-257	Electric generation facilities and pollution control devices of independent power producers. If base load plant, exemption is from commencement of construction and for 12 taxable years after construction is completed. If is peak load plant, exemption is from commencement of construction and for six taxable years after construction is completed.
K.S.A. 79-258	Electric generation facilities and pollution control devices of electric generation public utilities. If base load plant, exemption is from commencement of construction and for 10 taxable years after construction is completed. If is peak load plant, exemption is from commencement of construction and for four taxable years after construction is completed.
K.S.A. 79-259	Ten year exemption for electric transmission lines and appurtenances to such lines.
Article 11, Ch. 13 Ks. Constitution	Property of a new or expanding business that creates new employment and is used for manufacturing, storing goods traded in interstate commerce, or research and development (exempt up to 10 years); Poultry, rabbit and swine confinement facilities precluded from exemption (K.S.A. 79-250).
HB 2583	Commercial and industrial, telecommunications and railroad machinery and equipment purchased or leased after June 30, 2006.

H Sub for SB 303 Integrated coal gasification power plants (12 years), crude oil refineries (10 years), qualifying pipeline (10 years), integrated coal or coke gasification nitrogen fertilizer plants (10 years) and cellulosic alcohol plants (10 years) purchased, constructed or installed after December 31, 2005.

Military:

K.S.A. 79-5107(e) Not more than two motor vehicles owned and maintained outside of the state by Kansas resident military personnel stationed outside the State of Kansas at time of registration. In addition, not more than two motor vehicles, regardless where maintained, which are owned by a Kansas resident who is a member of the military service and who is mobilized or deployed on the date of such individual's application for registration.

Soldiers & Sailors Civil Relief Act Personal property not used in a trade or business that is owned by a non-resident military person who is stationed in Kansas due to military orders.

Government:

K.S.A. 79-201a
First Property owned by the United States government.

K.S.A. 79-201a
Second Property used exclusively for state, municipal or political subdivision purposes, including property leased for medical services and certain property funded by industrial revenue bonds, up to 10 years.

K.S.A. 79-201a
Third Works, machinery and fixtures used by a rural or township water district.

K.S.A. 79-201a
Fourth Fire engines and implements

K.S.A. 79-201a
Fifth Property owned by county fair associations

K.S.A. 79-201a
Sixth Property acquired and held by municipality under municipal housing law

K.S.A. 79-201a
Seventh Property acquired or held by a municipality for urban renewal law

K.S.A. 79-201a
Eighth Property acquired and held by Kansas armory board for armory purposes

K.S.A. 79-201a
Ninth Property acquired by Kansas Turnpike Authority

K.S.A. 79-201a <i>Tenth</i>	Property acquired and used for state park purposes by Wildlife & Parks
K.S.A. 79-201a <i>Eleventh</i>	State office building
K.S.A. 79-201a <i>Twelfth</i>	Student union buildings and student dormitories
K.S.A. 79-201a <i>Thirteenth</i>	Revenue bonds for buildings and facilities at educational institutions
K.S.A. 79-201a <i>Fourteenth</i>	Kansas City, MO Waterworks
K.S.A. 79-201a <i>Fifteenth</i>	Groundwater management district property
K.S.A. 79-201a <i>Sixteenth</i>	Joint water district
K.S.A. 79-201a <i>Seventeenth</i>	Property acquired by Secretary of Transportation for highway purposes
K.S.A. 79-201a colleges <i>Eighteenth</i>	Industrial training centers at vo-tech schools, technical and community
K.S.A. 79-201a <i>Nineteenth</i>	Vo-tech, technical and community college student unions or dormitories
K.S.A. 79-201a <i>Twentieth</i>	Personal property contained in a dormitory that is exempt.
K.S.A. 79-201q	Municipal airports and airport authorities
K.S.A. 79-201s	Certain municipal airports
K.S.A. 79-201r	Strother Field Airport
K.S.A. 79-222	Municipality owned buildings on property of a state educational institution under the supervision of the state board of regents and associated personal property.
K.S.A. 27-319(b)	Salina and Pratt Airports
K.S.A. 12-3418	Property of Port Authorities

K.S.A. 19-26,111 Wyandotte County Land Bank

K.S.A. 74-99d11 Transmission facilities owned by the Kansas Electric Transmission Authority if such facilities would be exempt if owned by a private entity.

Nonprofit: Religious, Education and Charitable; Humanitarian Purposes

K.S.A. 79-201 Property used for public worship or school district purposes.
First

K.S.A. 79-201 Property used for literary, educational, scientific, religious, benevolent or
Second charitable purposes.

K.S.A. 79-201 Moneys and credits belonging exclusively to universities, colleges, schools
Third, Fourth Reserve or emergency funds of fraternal benefit societies

K.S.A. 79-201 Property of a public or nonprofit Kansas college or university
Fifth, Sixth

K.S.A. 79-201 Parsonages
Seventh

K.S.A. 79-201 Property of 501(c)(19) Veterans Organization
Eighth

K.S.A. 79-201 Property used by a 501(c)(3) non-profit entity for humanitarian services
Ninth

K.S.A. 79-201 Convents, monasteries, etc.
Tenth

Nonprofit; Fees Charged for Services

K.S.A. 79-201b Property of a nonprofit hospital as defined in K.S.A. 75-425 used for
First hospital purposes; or a nonprofit psychiatric hospital as defined by K.S.A. 59-2902 and used for such purposes.

K.S.A. 79-201b Property of nonprofit adult care homes as defined by K.S.A. 39-923,
Second used for adult care home purposes, charges for services at below cost Or at *lowest feasible cost* (Revenue Ruling 72-124)

K.S.A. 79-201b Property of nonprofit children's home as defined by K.S.A. 75-3329
Third used for such purposes, charges at below cost or *lowest feasible cost*.

K.S.A. 79-201b Property used exclusively for housing for elderly and handicapped
Fourth persons having limited or lower income, or used exclusively for Cooperative housing for persons with limited or low income,

Assistance/financing under 42 USCA 1437, owned by nonprofit Organization

K.S.A. 79-201b
Fifth

Property used for housing elderly persons operated by a nonprofit organization, charges at below cost or *lowest feasible cost* (Revenue Ruling 72-124)

K.S.A. 79-201b
Sixth

Property used exclusively for group housing of mentally ill, retarded or handicapped; nonprofit organization; charges at below cost or *lowest feasible cost*; licensed under K.S.A. 75-337b or 36-501 *et seq.*

K.S.A. 79-201z

Property actually and primarily used for housing of elderly, persons with disabilities or persons with limited or low income, which property is owned solely and operated by a community housing development organization (CHDO).

Exemptions by the County Appraiser

In order to obtain an exemption for property, taxpayers must generally apply for exemption pursuant to the procedure set forth in K.S.A. 79-213. Exceptions are listed in K.S.A. 79-213(l) as follows:

Authority:	Description of Exemption:
K.S.A. 79-201j	Farm machinery and equipment, including Christmas tree and aquaculture machinery and equipment;
K.S.A. 79-215	Personal property held for sale or display at fairs, trade shows, expositions, auctions, bazaars, flea markets or conventions;
K.S.A. 79-201c	Wearing apparel, household goods and personal effects;
Art. 11 § 1 Kan. Const.	Livestock;
K.S.A. 79-201d	Hay and silage, farm storage and drying equipment and hay storage structures;
K.S.A. 79-201m	Merchant's and manufacturer's inventory;
K.S.A. 79-201n	Grain;
K.S.A. 79-201a <i>Seventeenth</i>	Property acquired for the State of Kansas by the Secretary of Transportation for highway purposes;
K.S.A. 79-201a <i>Ninth</i>	Property acquired by the Kansas Turnpike Authority used for Kansas Turnpike purposes;
K.S.A. 79-201a <i>Second</i>	Property used exclusively by the state or municipality or any political subdivision for right-of-way purposes;
K.S.A. 79-201a <i>Second</i>	Motor vehicles owned and used exclusively by the state, municipality or political or taxing subdivision for governmental purposes;
K.S.A. 79-201w	Machinery, equipment, materials and supplies with a retail cost when new of \$1,500 or less used exclusively for business or by an entity exempt from state income tax pursuant to K.S.A. 79-32,113;
K.S.A. 79-201x	The exemption for up to \$20,000 of the value of residential property from the statewide school mill levy;

K.S.A. 79-5107(e)

Not more than two motor vehicles owned and maintained outside of the state by Kansas resident military personnel stationed outside the State of Kansas at time of registration. In addition, not more than two motor vehicles, regardless where maintained, which are owned by a Kansas resident who is a member of the military service and who is mobilized or deployed on the date of such individual's application for registration.

K.S.A. 79-201 *Ninth*

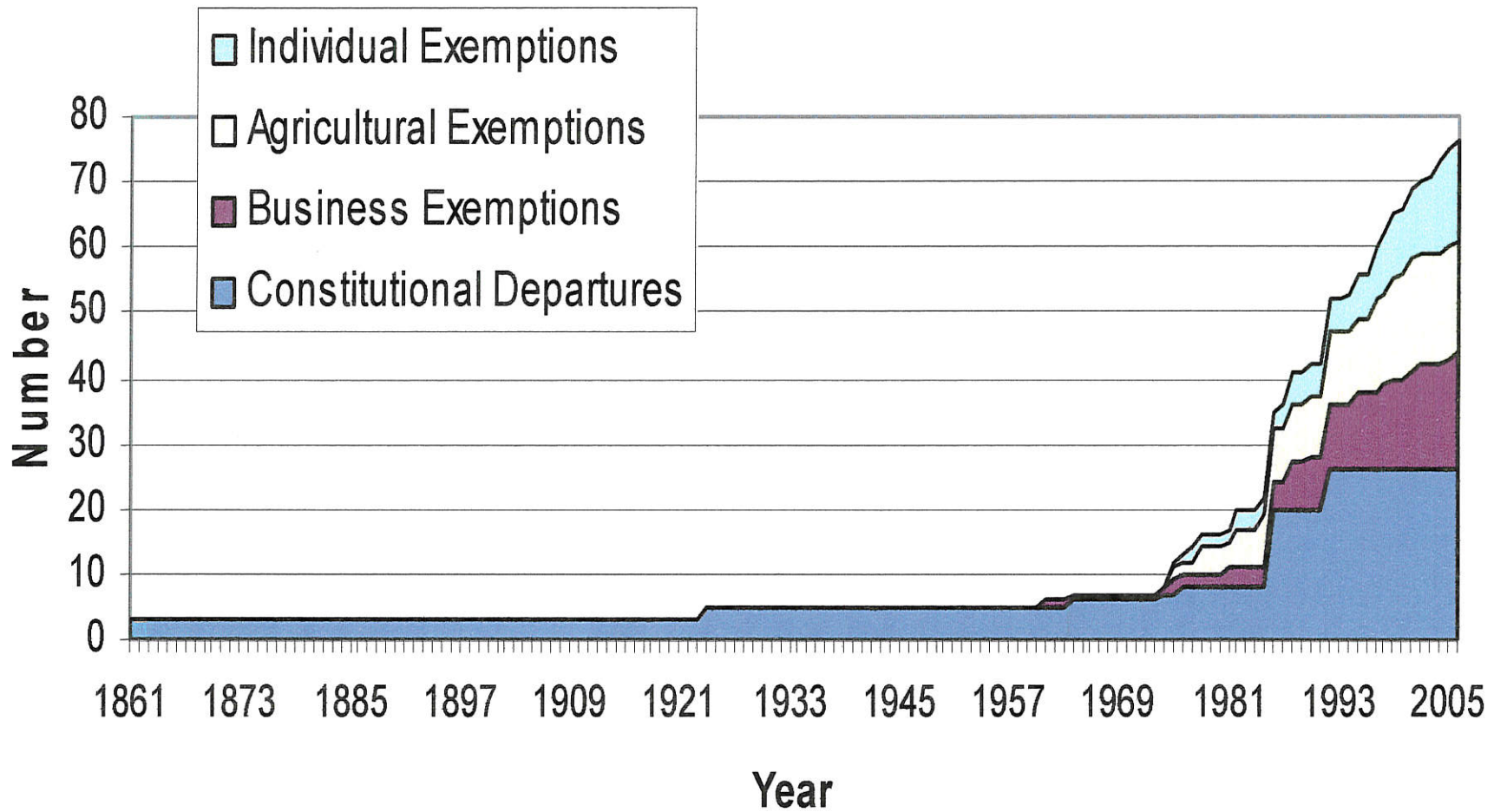
Vehicles owned by a 501(c)(3) organization that is exempt from property tax under K.S.A. 79-201 *Ninth* and uses the vehicles to transport the elderly and handicapped.

HB 2583

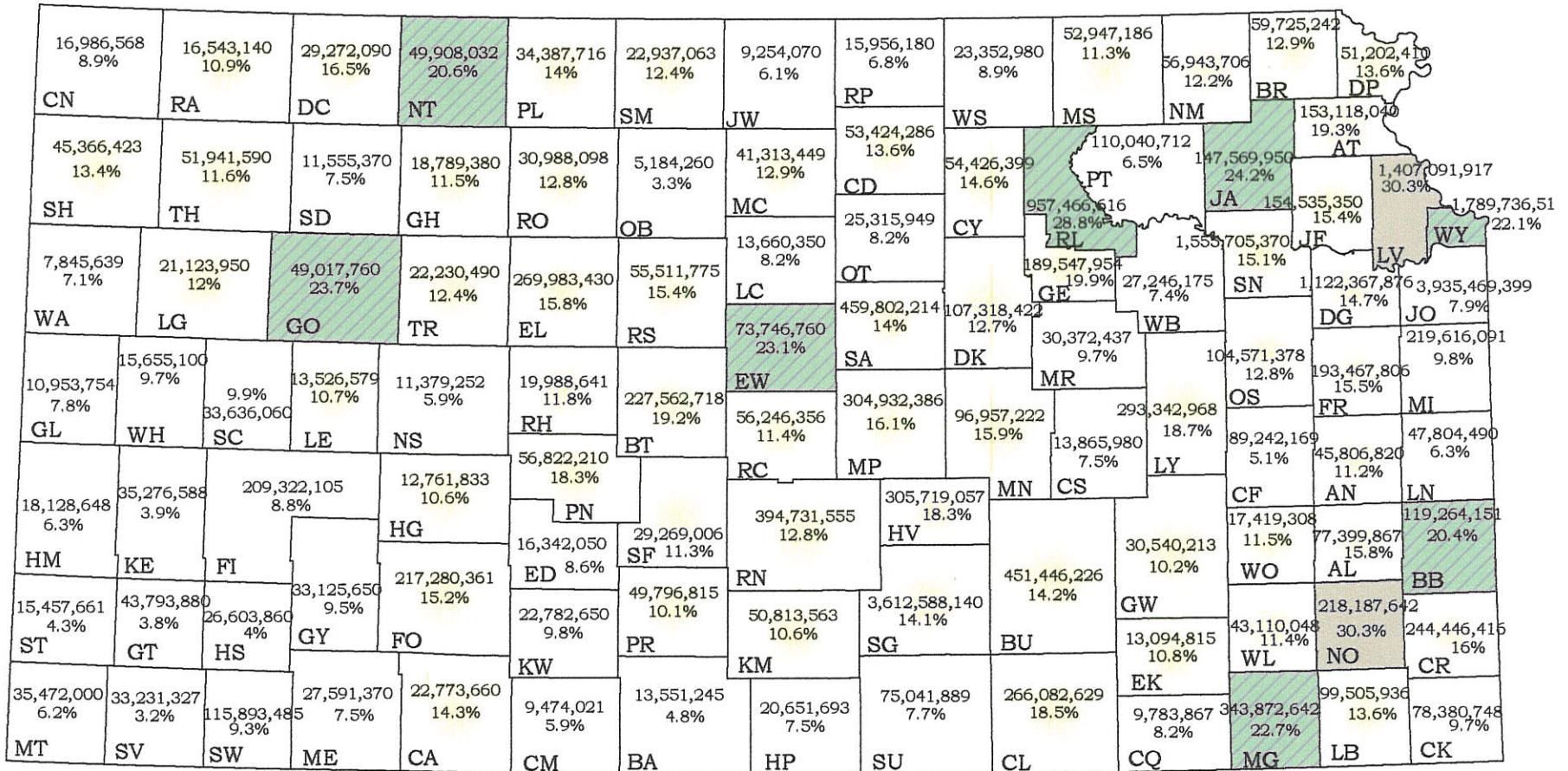
Commercial and industrial, telecommunications and railroad machinery and equipment purchased or leased after June 30, 2006.

Chart 1

Chronology of Constitutional and Statutory Departures from Uniform and Equal Taxation of Property, 1861-2006



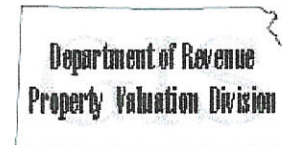
Total Exempt Value (Appraised)



% of Exempt Total Appraised Counties



October 17, 2005



This map represents the percentage of value that is exempt when calculated against the total appraised value in each county

Map # AD05-001