

SESSION OF 2003

**CONFERENCE COMMITTEE REPORT BRIEF  
HOUSE BILL NO. 2205**

As Agreed to May 5, 2003

**Brief \***

HB 2205 would provide that in the determination of fair market value for property tax purposes of any real property subject to a special assessment, the value may not be determined by adding the present value of the special assessment to the sales price.

Other provisions of the bill would require sellers of real property subject to certain special assessments or fees to estimate the amount of such assessments or fees and disclose the information to buyers. Sellers then would be required to obtain written acknowledgments that buyers had been apprised of the information.

Additional language would amend property tax exemption statutes relating to certain airport property owned and operated by political subdivisions to authorize county appraisers, retroactively to tax year 1992 in one instance and retroactively to tax year 1993 in another, to list the value of land and improvements separately on the assessment rolls after such property has been valued. An additional provision would limit the authority of the State Board of Tax Appeals to order refunds, effective for certain exemption applications filed after December 31, 2002, from the current three years to the year immediately preceding the year in which such applications have been filed. (HB 2205 as amended by Senate Assessment and Taxation)

Another provision would permit a mortgagee of record at the time of sale, or their assignee, to be a bidder at tax foreclosure sales. Current law prohibits this practice since the mortgagee has had a statutory right to redeem the real estate prior to such sale. (HB 2404 as amended by House Judiciary)

---

\*Conference committee report briefs are prepared by the Legislative Research Department and do not express legislative intent. No summary is prepared when the report is an agreement to disagree. The conference committee summary report may be accessed on the Internet at <http://www.kslegislature.org/kldr>

## **Background**

The original bill dealt with the issue of disclosure of certain special assessment or fees. The House Committee on Judiciary struck those provisions and inserted the proposed amendment to KSA 79-503a relating to the prohibition against fair market value's having been determined by adding the present value of special assessments to the sales price.

The House Committee of the Whole restored provisions similar but not identical to those in the original bill relating to disclosure of special assessments or fees by buyers.

The Senate Committee on Assessment and Taxation, at the suggestion of Senator Goodwin, added the provisions relating to airport authority property tax exemptions and the ability of the State Board of Tax Appeals to order refunds under certain circumstances.

The Conference Committee on May 5 agreed to insert the provisions of HB 2404 as amended by House Judiciary.