

SESSION OF 2003

SUPPLEMENTAL NOTE ON SENATE BILL NO. 161

As Amended by Senate Committee on
Assessment and Taxation

Brief*

SB 161, as amended, would modify the current property tax exemption for independent living units owned by not-for-profit senior care facilities. Under the bill, detached living units which are not located on the same contiguous property, excluding roadways, as the main campus of the senior care facility would no longer qualify for the property tax exemption beginning in tax year 2004.

The bill would also clarify that property used as a residential housing facility would not qualify for the current property tax exemption for property used by a not-for-profit community service organization for providing humanitarian services.

Background

SB 161 is the product of a working group recommended by the Special Committee on Assessment and Taxation after a 2002 interim study. The working group was bipartisan and comprised of members of the Senate Committee on Assessment and Taxation and the House Committee on Taxation.

The Senate Committee held a hearing on SB 161, at which time proponents of the bill included representatives of Reno County, Harvey County, McPherson County, the City of Hesston, the City of Inman, the City of Hutchinson, the Kansas Association of Counties, and a resident of Newton. Opponents of the bill included representatives of the Kansas Association of Homes and Services for the Aging, The Friendly Acres Retirement Community, the Ellsworth Good Samaritan Center,

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org/klrd>

the Lynn Community Nursing Home, the Wesley Towers, Showalter Villa, the Manhattan Chamber of Commerce, residents of Newton and Riley County, and the AARP of Kansas.

The Division of the Budget reports that the passage of SB 161, as introduced, would result in an increase in property tax revenues to the state. However, the fiscal impact of the Committee amendments was not available upon publication of this Supplemental Note.