

SESSION OF 2004

SUPPLEMENTAL NOTE ON SENATE BILL NO. 415

As Recommended by Senate Committee on
Assessment and Taxation

Brief*

SB 415 would amend the definition of "residential" for property tax classification purposes to provide that such term would include land and improvements used to store household goods and personal effects not used for the production of income, even when such land and improvements are not contiguous to land accommodating a dwelling or home.

Background

The bill was requested for introduction and supported by Senator Janis Lee. The Director of Property Valuation also appeared as a proponent.

Various rulings of the Board of Tax Appeals have held that outbuildings used for storing personal goods that are near but not adjacent to residences are to be classified as "all other" real estate and assessed at 30 percent of fair market value. By clarifying that such property is to be classified as residential, SB 415 would reduce the assessment rate for such property to 11.5 percent of fair market value.

A fiscal note indicated that the negative impact on state property tax levies would be "insignificant."

*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>