

As Amended by House Committee

Session of 2025

House Concurrent Resolution No. 5011

By Committee on Taxation

2-7

1 A PROPOSITION to amend section 1 of article 11 of the constitution of
2 the state of Kansas; relating to property taxation; valuing residential
3 real property, **commercial and industrial real property and mobile**
4 **homes personal property** based on the fair market value or average
5 fair market value ~~of the residential portion.~~

6
7 *Be it resolved by the Legislature of the State of Kansas, two-thirds of the*
8 *members elected (or appointed) and qualified to the House of*
9 *Representatives and two-thirds of the members elected (or*
10 *appointed) and qualified to the Senate concurring therein:*

11 Section 1. The following proposition to amend the constitution of
12 the state of Kansas shall be submitted to the qualified electors of the state
13 for their approval or rejection: Section 1 of article 11 of the constitution
14 of the state of Kansas is hereby amended to read as follows:

15 "**§ 1. System of taxation; classification; exemption.** (a)

16 The provisions of this subsection shall govern the assessment
17 and taxation of property on and after January 1, ~~2013~~ 2027, and
18 each year thereafter. Except as otherwise hereinafter specifically
19 provided, the legislature shall provide for a uniform and equal
20 basis of valuation and rate of taxation of all property subject to
21 taxation. The legislature may provide for the classification and
22 the taxation uniformly as to class of recreational vehicles and
23 watercraft, as defined by the legislature, or may exempt such
24 class from property taxation and impose taxes upon another
25 basis in lieu thereof. The provisions of this subsection shall not
26 be applicable to the taxation of motor vehicles, except as
27 otherwise hereinafter specifically provided, mineral products,
28 money, mortgages, notes and other evidence of debt and grain.

29 *The taxable valuation of real property used for residential*
30 *purposes including multi-family residential real property and*
31 *real property necessary to accommodate a residential*
32 *community of mobile or manufactured homes including the real*
33 *property upon which such homes are located, classified for*
34 *property tax purposes pursuant to subclass (1) of class 1, **real***
35 **property used for commercial and industrial purposes and**
36 **buildings and other improvements located upon land**

1 **devoted to agricultural use pursuant to subclass (6) of class**
 2 **1 and tangible personal property classified as mobile homes**
 3 **used for residential purposes pursuant to subclass (1) of**
 4 **class 2 shall be determined based on the lesser of the fair**
 5 **market value or the average fair market value of the residential**
 6 **that portion, as defined by law. The legislature may provide for**
 7 **and establish by law the number of years in determining the**
 8 **average fair market value of the residential portion and**
 9 **valuation adjustments by law for new construction or**
 10 **improvements, changes in property use, property that is listed**
 11 **as escaped or omitted property, changes to the description of**
 12 **the land, lot or parcel.**

13 Property shall be classified into the following classes for the
 14 purpose of assessment and assessed at the percentage of value
 15 prescribed therefor:

16 Class 1 shall consist of real property. Real property shall be
 17 further classified into seven subclasses. Such property shall be
 18 defined by law for the purpose of subclassification and assessed
 19 uniformly as to subclass at the following percentages of value:

- 20 (1) Real property used for residential purposes including multi-family
 21 residential real property and real property necessary to
 22 accommodate a residential community of mobile or manufactured
 23 homes including the real property upon which such homes are
 24 located.....11½%
- 25 (2) Land devoted to agricultural use which shall be valued upon the
 26 basis of its agricultural income or agricultural productivity pursuant
 27 to section 12 of article 11 of the constitution.....30%
- 28 (3) Vacant lots.....12%
- 29 (4) Real property which is owned and operated by a not-for-profit
 30 organization not subject to federal income taxation pursuant to
 31 section 501 of the federal internal revenue code, and which is
 32 included in this subclass by law.....12%
- 33 (5) Public utility real property, except railroad real property which shall
 34 be assessed at the average rate that all other commercial and
 35 industrial property is assessed.....33%
- 36 (6) Real property used for commercial and industrial purposes and
 37 buildings and other improvements located upon land devoted to
 38 agricultural use.....25%
- 39 (7) All other urban and rural real property not otherwise specifically
 40 subclassified.....30%

41 Class 2 shall consist of tangible personal property. Such
 42 tangible personal property shall be further classified into six
 43 subclasses, shall be defined by law for the purpose of

- 1 subclassification and assessed uniformly as to subclass at the
 2 following percentages of value:
- 3 (1) Mobile homes used for residential purposes.....11½%
 - 4 (2) Mineral leasehold interests except oil leasehold interests the average
 5 daily production from which is five barrels or less, and natural gas
 6 leasehold interests the average daily production from which is 100
 7 mcf or less, which shall be assessed at 25%.....30%
 - 8 (3) Public utility tangible personal property including inventories
 9 thereof, except railroad personal property including inventories
 10 thereof, which shall be assessed at the average rate all other
 11 commercial and industrial property is assessed.....33%
 - 12 (4) All categories of motor vehicles not defined and specifically valued
 13 and taxed pursuant to law enacted prior to January 1, 1985.....30%
 - 14 (5) Commercial and industrial machinery and equipment which, if its
 15 economic life is seven years or more, shall be valued at its retail cost
 16 when new less seven-year straight-line depreciation, or which, if its
 17 economic life is less than seven years, shall be valued at its retail
 18 cost when new less straight-line depreciation over its economic life,
 19 except that, the value so obtained for such property, notwithstanding
 20 its economic life and as long as such property is being used, shall
 21 not be less than 20% of the retail cost when new of such property
 2225%
 - 23 (6) All other tangible personal property not otherwise specifically
 24 classified.....30%
- 25 (b) All property used exclusively for state, county,
 26 municipal, literary, educational, scientific, religious, benevolent
 27 and charitable purposes, farm machinery and equipment,
 28 merchants' and manufacturers' inventories, other than public
 29 utility inventories included in subclass (3) of class 2, livestock,
 30 and all household goods and personal effects not used for the
 31 production of income, shall be exempted from property
 32 taxation."

33 Sec. 2. The following statement shall be printed on the ballot with
 34 the amendment as a whole:

35 "*Explanatory statement.* This amendment would value real
 36 property used for residential purposes provided under
 37 section 1 of article 11 of the Constitution of the State of
 38 Kansas in subclass (1) of class 1, **real property used for**
 39 **commercial and industrial purposes and buildings and**
 40 **other improvements located upon land devoted to**
 41 **agricultural use pursuant to subclass (6) of class 1 and**
 42 **tangible personal property classified as mobile homes**
 43 **used for residential purposes pursuant to subclass (1) of**

1 **class 2** based on the lesser of the fair market value or the
2 average fair market value of ~~the residential~~ **that** portion. The
3 amendment would also authorize the legislature to establish
4 by law the number of years in determining the average fair
5 market value of ~~the residential portion~~ and provide valuation
6 adjustments by law in certain circumstances.

7 "A vote for this proposition would value parcels of real property
8 used for residential purposes including multi-family
9 residential real property and real property necessary to
10 accommodate a residential community of mobile or
11 manufactured homes including the real property upon which
12 such homes are located, **real property used for commercial**
13 **and industrial purposes and buildings and other**
14 **improvements located upon land devoted to agricultural**
15 **use and tangible personal property classified as mobile**
16 **homes used for residential purposes** based on the lesser of
17 the fair market value or the average fair market value of ~~the~~
18 ~~residential~~ **that** portion. The amendment would also
19 authorize the legislature to establish by law the number of
20 years in determining the average fair market value ~~of the~~
21 ~~residential portion~~ and provide valuation adjustments for
22 new construction or improvements, changes in property use,
23 property that is listed as escaped or omitted property,
24 changes to the description of the land, lot or parcel and
25 property that lacks established valuations.

26 "A vote against this proposition would provide no change to the
27 Kansas Constitution."

28 Sec. 3. This resolution, if approved by two-thirds of the members
29 elected (or appointed) and qualified to the House of Representatives and
30 two-thirds of the members elected (or appointed) and qualified to the
31 Senate, shall be entered on the journals, together with the yeas and nays.
32 The secretary of state shall cause this resolution to be published as
33 provided by law and shall cause the proposed amendment to be submitted
34 to the electors of the state at a special election, which is hereby called on
35 November 4, 2025, pursuant to section 1 of article 14 of the constitution
36 of the state of Kansas, to be held in conjunction with the general election
37 held on such date.