

**Senate Substitute for House Concurrent Resolution No.
5011**

By Committee on Assesment and Taxation

3-18

1
2 *A PROPOSITION to amend section 1 of article 11 of the constitution of*
3 *the state of Kansas; relating to property taxation; limiting*
4 *valuation increases for real property and for personal property*
5 *classified as mobile homes used for residential purposes.*
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 the
12 state of Kansas shall be submitted to the qualified electors of the state for
13 their approval or rejection: Section 1 of article 11 of the constitution of the
14 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~~ 2026, 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 basis
25 in lieu thereof. The provisions of this subsection shall not be
26 applicable to the taxation of motor vehicles, except as otherwise
27 hereinafter specifically provided, mineral products, money,
28 mortgages, notes and other evidence of debt and grain.

29 *The final taxable appraised value of real property classified*
30 *in any subclass and personal property classified as mobile*
31 *homes used for residential purposes shall not increase by more*
32 *than 3%, or a lesser percentage as provided by law, in any*
33 *taxable year except when:*

34 (1) *The property includes new construction or*
35 *improvements have been made to the property;*

- 1 (2) *the class or subclass of the property changes for*
- 2 *assessment rate purposes;*
- 3 (3) *the property becomes disqualified from exemption;*
- 4 (4) *the property is first listed as escaped or omitted*
- 5 *property, or an error is corrected; or*
- 6 (5) *the legal description of the land, lot or parcel changes,*
- 7 *except that the total final taxable appraised value of all property*
- 8 *affected by a legal description change shall not exceed the total*
- 9 *final taxable appraised value of the affected property for the*
- 10 *previous year by more than 3%, or a lesser percentage as*
- 11 *provided by law.*

12 *The benefits of the valuation limitation shall remain in place*

13 *whenever title to the property is transferred, changed or*

14 *conveyed to another person or entity, unless the legislature*

15 *enacts provisions that provide for exceptions. For property that*

16 *is subject to the valuation limitation, the final taxable appraised*

17 *value each year shall be the appraised value of the property*

18 *determined as otherwise provided by law without the application*

19 *of the valuation limitation provisions or the limited appraised*

20 *value of the property determined by the application of the*

21 *valuation limitation provisions, whichever is less. For tax year*

22 *2026, the final taxable appraised value of such property shall*

23 *not increase by more than 3%, or a lesser percentage as*

24 *provided by law, as compared to the tax year 2022 appraised*

25 *value of such property unless an exception applies. The*

26 *legislature may define new construction or improvements by law*

27 *and enact other legislation to administer this provision.*

28 Property shall be classified into the following classes for the

29 purpose of assessment and assessed at the percentage of value

30 prescribed therefor:

31 Class 1 shall consist of real property. Real property shall be

32 further classified into seven subclasses. Such property shall be

33 defined by law for the purpose of subclassification and assessed

34 uniformly as to subclass at the following percentages of value:

- 35 (1) Real property used for residential purposes including multi-family
- 36 residential real property and real property necessary to accommodate
- 37 a residential community of mobile or manufactured homes including
- 38 the real property upon which such homes are located.....11½%
- 39 (2) Land devoted to agricultural use which shall be valued upon the basis
- 40 of its agricultural income or agricultural productivity pursuant to
- 41 section 12 of article 11 of the constitution.....30%
- 42 (3) Vacant lots.....12%
- 43 (4) Real property which is owned and operated by a not-for-profit

- 1 organization not subject to federal income taxation pursuant to
 2 section 501 of the federal internal revenue code, and which is
 3 included in this subclass by law.....12%
 4 (5) Public utility real property, except railroad real property which shall
 5 be assessed at the average rate that all other commercial and
 6 industrial property is assessed.....33%
 7 (6) Real property used for commercial and industrial purposes and
 8 buildings and other improvements located upon land devoted to
 9 agricultural use.....25%
 10 (7) All other urban and rural real property not otherwise specifically
 11 subclassified.....30%

12 Class 2 shall consist of tangible personal property. Such
 13 tangible personal property shall be further classified into six
 14 subclasses, shall be defined by law for the purpose of
 15 subclassification and assessed uniformly as to subclass at the
 16 following percentages of value:

- 17 (1) Mobile homes used for residential purposes.....11½%
 18 (2) Mineral leasehold interests except oil leasehold interests the average
 19 daily production from which is five barrels or less, and natural gas
 20 leasehold interests the average daily production from which is 100
 21 mcf or less, which shall be assessed at 25%.....30%
 22 (3) Public utility tangible personal property including inventories
 23 thereof, except railroad personal property including inventories
 24 thereof, which shall be assessed at the average rate all other
 25 commercial and industrial property is assessed.....33%
 26 (4) All categories of motor vehicles not defined and specifically valued
 27 and taxed pursuant to law enacted prior to January 1, 1985.....30%
 28 (5) Commercial and industrial machinery and equipment which, if its
 29 economic life is seven years or more, shall be valued at its retail cost
 30 when new less seven-year straight-line depreciation, or which, if its
 31 economic life is less than seven years, shall be valued at its retail cost
 32 when new less straight-line depreciation over its economic life,
 33 except that, the value so obtained for such property, notwithstanding
 34 its economic life and as long as such property is being used, shall not
 35 be less than 20% of the retail cost when new of such property.....25%
 36 (6) All other tangible personal property not otherwise specifically
 37 classified.....30%

38 (b) All property used exclusively for state, county,
 39 municipal, literary, educational, scientific, religious, benevolent
 40 and charitable purposes, farm machinery and equipment,
 41 merchants' and manufacturers' inventories, other than public
 42 utility inventories included in subclass (3) of class 2, livestock,
 43 and all household goods and personal effects not used for the

1 production of income, shall be exempted from property
2 taxation."

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

5 "*Explanatory statement.* This amendment would limit annual
6 valuation increases to 3%, or a lesser percentage as provided
7 by law, for purposes of property taxation for real property
8 classified in any subclass and personal property classified as
9 mobile homes used for residential purposes except when the
10 property includes new construction or improvements have
11 been made to the property, the class or subclass of the
12 property changes, the property becomes disqualified from
13 exemption, the property is first listed as escaped or omitted
14 property, an error is corrected or the legal description of the
15 property changes.

16 "A vote for this proposition would limit annual valuation
17 increases to 3%, or a lesser percentage as provided by law, for
18 real property classified in any subclass and personal property
19 classified as mobile homes used for residential purposes
20 except when the property includes new construction or
21 improvements have been made to the property, the class or
22 subclass of the property changes, the property becomes
23 disqualified from exemption, the property is first listed as
24 escaped or omitted property, an error is corrected or the legal
25 description of the property changes. The amendment would
26 provide for the benefits of the valuation limitation to remain
27 in place whenever title to the property is transferred, changed
28 or conveyed to another person or entity, unless the legislature
29 enacts provisions that provide for exceptions. The amendment
30 would clarify that for property subject to the valuation
31 limitation, the final taxable appraised value each year would
32 be the appraised value of the property determined without the
33 application of the valuation limitation provisions or the
34 limited appraised value of the property determined by the
35 application of the valuation limitation provisions, whichever
36 is less. The amendment would also roll back the valuation
37 starting point to provide that for tax year 2026, the final
38 taxable appraised value of such property shall not increase by
39 more than 3%, or a lesser percentage as provided by law, as
40 compared to the tax year 2022 appraised value of such
41 property unless an exception applies. The amendment would
42 authorize the legislature to define new construction or
43 improvements and enact other legislation to administer the

1 provision.

2 "A vote against this proposition would provide no change to the
3 Kansas constitution."

4 Sec. 3. This resolution, if approved by two-thirds of the members
5 elected (or appointed) and qualified to the House of Representatives and
6 two-thirds of the members elected (or appointed) and qualified to the
7 Senate, shall be entered on the journals, together with the yeas and nays.
8 The secretary of state shall cause this resolution to be published as
9 provided by law and shall cause the proposed amendment to be submitted
10 to the electors of the state at a special election, which is hereby called on
11 November 4, 2025, pursuant to section 1 of article 14 of the constitution of
12 the state of Kansas, to be held in conjunction with the general election held
13 on such date.