

SESSION OF 2026

SUPPLEMENTAL NOTE ON SENATE BILL NO. 332

As Amended by Senate Committee on
Assessment and Taxation

Brief*

SB 332, as amended, would specify that third-party intermediary premiums, charges, commissions, or fees charged to and paid by a buyer for services rendered to facilitate a real estate sales transaction that are separately stated in writing and not received by the seller are not to be included as part of the sale price of such property for purposes of the real estate sales validation questionnaire and property valuation for property tax purposes.

Background

The bill was introduced by the Senate Committee on Assessment and Taxation at the request of Senator Tyson.

Senate Committee on Assessment and Taxation

In the Senate Committee hearing, **proponent** testimony was provided by a former State Senator, who generally stated the buyer's premiums paid at auctions are not understood by the buyer or seller to be reflective of the value of the property being sold, but rather compensation to the auctioneer for the service of facilitating the sale.

No other testimony was provided.

*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 <https://klrd.gov/>

The Senate Committee amended the bill to expand the scope of the bill from buyer's premiums paid to auctioneers to premiums, charges, commissions, or fees paid by a buyer to any third party intermediary facilitating the sale.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Department of Revenue estimates enactment of the bill will reduce property tax revenues by unknown amounts. The Kansas Association of Counties and League of Kansas Municipalities indicated enactment of the bill has the potential to shift the property tax burden to other properties.

A revised fiscal note on the amended bill was not immediately available. Any fiscal effect associated with the bill is not reflected in *The FY 2027 Governor's Budget Report*.

Taxation; property tax; valuation; sales validation questionnaire; premiums and commissions; auctioneers