

SESSION OF 2014

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2511

As Recommended by House Committee on
Taxation

Brief*

HB 2511 would, under certain circumstances, relieve personal property tax liability for owners or lessees of real property upon which personal property has been abandoned or repossessed. Such owners would no longer be liable when the personal property has been abandoned or repossessed after having been assessed for property tax purposes but before the taxes have been paid, provided lawful title to the personalty has been acquired within 12 months of the abandonment or the commencement of legal proceedings designed to effect a repossession.

Background

The new provision allowing real estate owners to be released from the personal property tax liability is contained in New Section 1 of the bill. Section 2, an amendment to KSA 79-2109, is a technical clarification designed to reconcile language enacted originally in 1943.

The bill was requested for introduction and supported by the Kansas Manufactured Housing Association, whose representative noted that many owners of real estate where manufactured homes are located have experienced a problem with inheriting the personal property tax liability of certain personal property that has been abandoned or repossessed.

*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>

A fiscal note provided by the Division of the Budget indicated there could be a negligible impact on school finance and state building funds to the extent that property taxes would be reduced from the 21.5 mills in state property tax levies.