

SESSION OF 2013

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 235**

As Amended by Senate Committee on  
Assessment and Taxation

**Brief\***

SB 235, as amended, would provide a property tax exemption retroactive to tax year 2012 for all new automobile manufacturing property, defined generally to mean all real property purchased or constructed after December 31, 2011, by qualifying automobile manufacturers. The exemption would apply only for a period of ten calendar years, and owners would be required to make all payments in lieu of taxes mutually agreed to with local taxing subdivisions.

**Background**

The bill was requested for introduction and supported by General Motors and the Unified Government of Wyandotte County/Kansas City. Both parties indicated a resolution of intent regarding a locally-granted industrial revenue bond property tax exemption (as well as payments in lieu of taxes), that already had been negotiated, would essentially remain unaffected by the legislation but the bonding process would be significantly streamlined as a result of having the exemption in state statute.

General Motors has recently announced plans to invest \$600 million in an expansion of the Fairfax Assembly Plant.

No fiscal note was available from either the Department of Revenue or the Division of the Budget at the time the bill was heard on March 18.

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\*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>