

To: House Committee on Assessment and Taxation, Representative Kleeb, Chairman
From: John Donley, Kansas Farm Bureau
Date: March 8, 2016
Re: HB 2714 – Concerning Property Taxation

Good morning Chairman Kleeb and Members of the Committee, I appreciate the opportunity to present written testimony on behalf of the Kansas Farm Bureau (KFB) as a neutral conferee regarding HB 2714. KFB is the state's largest general farm organization representing more than 40,000 farm and ranch families through our 105 county Farm Bureau Associations.

Recent Kansas Supreme Court and Kansas Court of Appeals cases have necessitated the need to provide some changes to the property tax appeals process and clarity to the law. While KFB understands the intent of this legislation, there are some items that need some attention before this bill is passed out of committee. The need for these changes are due to the fact that agricultural land is valued pursuant to K.S.A. 79-1476, which is a mass appraisal system by design.

There are three amendments that will help clarify the application of the changes included in HB 2714 as they apply to agricultural land. The amendments are as follows:

1. Add the following sentence at the end of line 1 on page 6 of the bill: ***“Valuation appeals for land devoted to agricultural use shall be valued as provided by K.S.A. 79-1476, and amendments thereto.”***
2. Add the words ***“or other documentation”*** on page 13, line 28 after the word document.
3. Add the words ***“or other documentation”*** on page 19, line 37 after the word document.

The first amendment would ensure that tax appeals are treated in the same manner they are intended to be valued in K.S.A 79-501. This will provide consistency in the application of the law upon a potential appeal. The second and third amendments will ensure that a properly executed lease document is not the only evidence that can prove that land is used for an agricultural use.

KFB believes that the three amendments proposed in this testimony should be adopted if the committee elects to move this bill forward. Thank you for the opportunity to testify on this issue.