

SESSION OF 2015

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 48**

As Recommended by Senate Committee on  
Assessment and Taxation

**Brief\***

SB 48 would sunset a ten-year property tax exemption for new qualifying pipeline property. The exemption would not apply to any pipeline on which construction began after December 31, 2014, nor to any pipeline on which construction began prior to January 1, 2015, for which installation of at least 50 miles of pipeline had not been completed prior to January 1, 2015.

The bill would allow any property exempt from property taxation as of December 31, 2014, to retain such exemption pursuant to law as it existed on that date.

**Background**

The bill was introduced by the Senate Committee on Ways and Means. At the Senate Committee on Assessment and Taxation hearing on the bill, proponents of the bill included representatives of the Kansas Association of Counties and Smoky Hills Pipeline Company. Opponents of the bill included representatives of Williams Companies, TransCanada, and ONEOK. Written testimony in opposition to the bill was provided by the Kansas Petroleum Council.

The fiscal note prepared by the Division of the Budget indicates the bill has the potential to cause an indeterminate increase in the amount generated by the 21.5 mills levied statewide. However, data regarding the amount of current and future pipeline property that would be assessed under the bill is unavailable.

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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>