

{As Amended by Senate Committee of the Whole}

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Session of 2020

SENATE BILL No. 294

By Senators Tyson, Alley, Braun, Estes, Goddard, Hilderbrand, Kerschen,
Longbine, Lynn, Masterson, Olson, Petersen, Thompson, Wagle and Wilborn

1-22

1 AN ACT concerning property taxation; relating to tax rates; truth in
2 taxation; establishing notice and public hearing requirements prior to
3 approval to exceed ~~certified tax revenue neutral~~ rate; *discontinuing*
4 *the city and county tax lid; amending K.S.A. 79-2925c and repealing*
5 *the existing section.*

6
7 *Be it enacted by the Legislature of the State of Kansas:*

8 *New Section 1. (a) On or before July 1 each year, the governing body*
9 *of each taxing subdivision or taxing district shall calculate its certified tax*
10 *rate. The certified tax rate is the tax rate for the current year that would*
11 *generate the same property tax revenue as levied the previous year using*
12 *the current year's total assessed valuation. The purpose of the certified tax*
13 *rate is to promote truth in taxation. To calculate the certified tax rate, each*
14 *governing body shall divide the property tax revenue for such taxing*
15 *subdivision or taxing district levied for the previous year by the total of all*
16 *taxable assessed valuations in such taxing subdivision or taxing district*
17 *provided by the county clerk pursuant to K.S.A. 79-5a27, and amendments*
18 *thereto, for the current year, and then multiply the quotient by 1,000 to*
19 *express the rate in mills. The certified tax rate shall be expressed to the*
20 *third decimal place.*

21 ~~(b) On or before July 1 each year, the governing body of each taxing~~
22 ~~subdivision or taxing district shall submit its calculated certified tax rate~~
23 ~~and supporting documentation to the director of accounts and reports on~~
24 ~~forms approved by the director of accounts and reports. The director of~~
25 ~~accounts and reports shall review the calculated certified tax rate and~~
26 ~~supporting documentation for compliance and accuracy and notify the~~
27 ~~governing body of the results of such review before August 1 of each year.~~
28 ~~The director of accounts and reports shall make copies of submissions and~~
29 ~~notifications pursuant to subsections (b) and (c) available to the public on~~
30 ~~the website of the Kansas department of administration no later than~~
31 ~~September 1 each year.~~

Proposed Amendment
Committee on Assessment and Taxation
Prepared by Office of Revisor of Statutes
Notice

1 ~~(c) On or before August 1 each year, the governing body of each~~
 2 ~~taxing subdivision or taxing district shall submit its certified tax rate to the~~
 3 ~~director of accounts and reports and report its certified tax rate and the~~
 4 ~~calculations used to compute the certified tax rate on its proposed budget~~
 5 ~~forms prepared pursuant to K.S.A. 79-2927, and amendments thereto. On~~
 6 ~~or before June 15 each year, the county clerk shall calculate the revenue~~
 7 ~~neutral rate for each taxing subdivision and include such revenue~~
 8 ~~neutral rate on the notice of the estimated assessed valuation provided to~~
 9 ~~each taxing subdivision for budget purposes. The director of accounts~~
 10 ~~and reports shall modify the prescribed budget information form to show~~
 11 ~~the revenue neutral rate.~~

12 ~~(d)(b) No tax rate in excess of the certified tax revenue neutral rate~~
 13 ~~shall be levied by the governing body of any taxing subdivision or taxing~~
 14 ~~district unless a resolution or ordinance has been approved by the~~
 15 ~~governing body according to the following procedure:~~

16 (1) The governing body shall publish notice of its proposed intent to
 17 exceed the ~~certified tax revenue neutral rate in the official county~~
 18 ~~newspaper of the county where the taxing subdivision or taxing district is~~
 19 ~~located and on the website of the governing body, if the governing body~~
 20 ~~maintains a website, at least 10 days in advance of the public hearing. The~~
 21 ~~notice shall include, but not be limited to, its proposed tax rate, its~~
 22 ~~revenue neutral rate and the date, time and location of the public~~
 23 ~~hearing.~~

24 (2) On or before ~~August 1~~ July 15, the governing body shall notify
 25 the county clerk of its proposed intent to exceed the ~~certified tax revenue~~
 26 ~~neutral rate and provide the date, time and location of the public hearing~~
 27 ~~and its proposed tax rate. The county clerk shall notify each taxpayer with~~
 28 ~~property in the taxing subdivision or taxing district, by mail directed to the~~
 29 ~~taxpayer's last known address, of the proposed intent to exceed the~~
 30 ~~certified tax rate at least 10 days in advance of the public hearing.~~

31 Alternatively, the county clerk may transmit the notice to the taxpayer by
 32 electronic means at least 10 days in advance of the public hearing, if such
 33 taxpayer and county clerk have consented in writing to service by
 34 electronic means. Costs associated with the notice shall be borne by the
 35 taxing subdivision ~~or taxing district~~ *(with payment due to the county clerk*
 36 *by December 31). The county clerk ~~may~~ consolidate the required*
 37 *information for all taxing subdivisions relevant to the taxpayer's*
 38 *property on one notice. The notice shall include, but not be limited to:*

39 (A) ~~The certified tax rate and calculations used to compute the~~
 40 ~~certified tax revenue neutral rate;~~

41 (B) the proposed property tax revenue needed to fund the proposed
 42 budget;

43 (C) the proposed tax rate based upon the proposed budget and the

revenue neutral

shall