



Since 1894

Date: March 22, 2023

Re: **SCR 1610 A Proposition to amend section 1 of article 11 of the constitution of the state of Kansas to limit property tax valuation increases for real property.**

Position: Opponent, Written-only

From: Taylor Nikkel, Stockgrowers Division Director, Kansas Livestock Association

To: Senate Committee on Assessment and Taxation  
Sen. Caryn Tyson, Chair

*The Kansas Livestock Association (KLA), formed in 1894, is a trade association representing more than 5,700 members on legislative and regulatory issues. KLA members are involved in many aspects of the livestock industry, including seed stock, cow-calf, and stocker cattle production; cattle feeding; dairy production; swine production; grazing land management; and diversified farming operations.*

Thank you, Chairwoman Tyson, and members of the Committee, for giving the Kansas Livestock Association (KLA) the opportunity to share our views on SCR 1610. KLA generally supports providing property tax relief, but KLA opposes SCR 1610 because it only affects one component of the equation used to determine the property tax and could create dysfunction in the use value appraisal method used to appraise agricultural land.

Article 11, Section 1 of the Kansas Constitution provides, "Land devoted to agricultural use . . . shall be valued upon the basis of its agricultural income or agricultural productivity pursuant to section 12 of article 11 of the constitution." The use-value appraisal method is further defined in K.S.A. 79-1476. It is designed to provide a stabilized approach to the valuation of agricultural land and protect landowners from large one-year valuation increases. The use value appraisal method works by taking the eight-year average of a landowner's net income to determine the land's agricultural productivity. The system is based on the eight-year average of yields, income, and soil-production capabilities. Adding a constitutional amendment to require a three percent cap on property valuation increases could disrupt this formula and force a change in the current statutory formula.

Property taxes are a function of appraised value, the assessment rate, and the mill levy. Capping the increase in appraised value will not necessarily prevent higher property taxes because local units of government will likely just adjust mill rates to raise sufficient revenue. SCR 1601 could, however, cause a shift in the tax burden if one class of property outpaces the other in real appraisal values. It could also cause confusion and distort real estate markets if appraised values for tax purposes become disjointed from fair market value.

KLA appreciates the opportunity to voice its concerns with SCR 1610. We ask that the Committee not advance this resolution, and instead, provide tax relief through strategies to either reduce the statewide mill levy or policies to allow local units of government to reduce its mill levies.