

**HOUSE BILL No. 2319**

By Committee on Taxation

2-7

1 AN ACT concerning property taxation; relating to exemptions; providing  
2 for an exemption for business property that operates in competition  
3 with property owned or operated by a governmental entity.  
4

5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. (a) For all taxable years commencing after December 31,  
7 2023, all real property owned and operated by a business in the state of  
8 Kansas that is located within a county that has a facility or facilities owned  
9 or operated by a governmental entity that competes against the business  
10 and such property that is owned or operated by the governmental entity is  
11 exempt from property or ad valorem taxes levied under any laws of the  
12 state of Kansas. For purposes of this section:

13 (1) "A governmental entity that competes against the business"  
14 includes any governmental entity that offers any goods or services to the  
15 public and receives payment for those goods or services. "A governmental  
16 entity that competes against the business" does not include a governmental  
17 entity that provides goods or services without receiving payment for those  
18 goods or services;

19 (2) "owned or operated by any governmental entity" includes any  
20 facility owned or operated by a city, county, school district, the state of  
21 Kansas or any other facility that receives any funds from property or ad  
22 valorem taxes levied by a taxing subdivision; and

23 (3) "real property owned and operated by a business" includes any  
24 real property where the owner of the real property is a business enterprise  
25 that operates the business and collects the payment of the fee entitling the  
26 buyer to use the facility or sells the product to the buyer and such owner of  
27 the real property and operator of the business enterprise are the same  
28 business entity, a parent or subsidiary of the same business entity or have  
29 any direct or indirect common ownership.

30 (b) (1) Notwithstanding any provision of law to the contrary, any  
31 business seeking an exemption for real property pursuant to this section  
32 shall apply for the exemption on or before March 1 of the year the  
33 exemption is sought to the county appraiser in the county such property is  
34 located. If the county appraiser approves the exemption, the owner of the  
35 property shall be required to submit the required forms pursuant to K.S.A.  
36 79-210, and amendments thereto, as if the property was otherwise exempt

1 from the payment of property taxes.

2 (2) If the county appraiser determines that the business did not  
3 qualify for an exemption pursuant to this section, the business may appeal  
4 that decision to the director of taxation on forms provided by the director.  
5 If the director of taxation determines that the business does not qualify  
6 under this section, the business may appeal to the court of jurisdiction  
7 where such real property is located. If either the director of taxation or the  
8 court determines that the business qualifies for the exemption, the business  
9 seeking the exemption shall provide the written order or confirmation of  
10 the exemption to the county clerk who shall make such adjustment in the  
11 taxes levied against the real property.

12 Sec. 2. This act shall take effect and be in force from and after its  
13 publication in the statute book.