

Senate Concurrent Resolution No. 1611

By Committee on Assessment and Taxation

4-4

1 A PROPOSITION to amend section 1 of article 11 of the constitution of
2 the state of Kansas; relating to property taxation; limiting valuation
3 increases for real property.

4
5 *Be it resolved by the Legislature of the State of Kansas, two-thirds of the*
6 *members elected (or appointed) and qualified to the Senate and two-*
7 *thirds of the members elected (or appointed) and qualified to the*
8 *House of Representatives concurring therein:*

9 Section 1. The following proposition to amend the constitution of
10 the state of Kansas shall be submitted to the qualified electors of the state
11 for their approval or rejection: Section 1 of article 11 of the constitution
12 of the state of Kansas is hereby amended to read as follows:

13 "**§ 1. System of taxation; classification; exemption.** (a) The
14 provisions of this subsection shall govern the assessment and
15 taxation of property on and after January 1, ~~2013~~ 2025, and each
16 year thereafter. Except as otherwise hereinafter specifically
17 provided, the legislature shall provide for a uniform and equal
18 basis of valuation and rate of taxation of all property subject to
19 taxation. The legislature may provide for the classification and the
20 taxation uniformly as to class of recreational vehicles and
21 watercraft, as defined by the legislature, or may exempt such class
22 from property taxation and impose taxes upon another basis in lieu
23 thereof. The provisions of this subsection shall not be applicable to
24 the taxation of motor vehicles, except as otherwise hereinafter
25 specifically provided, mineral products, money, mortgages, notes
26 and other evidence of debt and grain.

27 *The valuation of any real property shall not increase by*
28 *more than 4% in any taxable year except when:*

29 *(1) The property includes new construction or*
30 *improvements have been made to the property;*

31 *(2) the class or subclass of the property changes for*
32 *assessment rate purposes;*

33 *(3) the property becomes disqualified from exemption;*

34 *(4) the property is first listed as escaped or omitted*
35 *property;*

36 *(5) the legal description of the land, lot or parcel changes,*

1 *except that the total valuation of all property affected by a legal*
2 *description change shall not exceed the total valuation of the*
3 *affected property for the previous year by more than 4%; or*

4 *(6) title to the property is transferred, changed or*
5 *conveyed to another person.*

6 *The legislature may define new construction or improvements*
7 *by law and enact such other legislation as is necessary to*
8 *administer this provision.*

9 Property shall be classified into the following classes for the
10 purpose of assessment and assessed at the percentage of value
11 prescribed therefor:

12 Class 1 shall consist of real property. Real property shall be
13 further classified into seven subclasses. Such property shall be
14 defined by law for the purpose of subclassification and assessed
15 uniformly as to subclass at the following percentages of value:

- 16 (1) Real property used for residential purposes including multi-family
17 residential real property and real property necessary to
18 accommodate a residential community of mobile or manufactured
19 homes including the real property upon which such homes are
20 located..... 11½%
- 21 (2) Land devoted to agricultural use which shall be valued upon the
22 basis of its agricultural income or agricultural productivity pursuant
23 to section 12 of article 11 of the constitution..... 30%
- 24 (3) Vacant lots..... 12%
- 25 (4) Real property which is owned and operated by a not-for-profit
26 organization not subject to federal income taxation pursuant to
27 section 501 of the federal internal revenue code, and which is
28 included in this subclass by law..... 12%
- 29 (5) Public utility real property, except railroad real property which shall
30 be assessed at the average rate that all other commercial and
31 industrial property is assessed..... 33%
- 32 (6) Real property used for commercial and industrial purposes and
33 buildings and other improvements located upon land devoted to
34 agricultural use..... 25%
- 35 (7) All other urban and rural real property not otherwise specifically
36 subclassified..... 30%

37 Class 2 shall consist of tangible personal property. Such
38 tangible personal property shall be further classified into six
39 subclasses, shall be defined by law for the purpose of
40 subclassification and assessed uniformly as to subclass at the
41 following percentages of value:

- 42 (1) Mobile homes used for residential purposes..... 11½%
- 43 (2) Mineral leasehold interests except oil leasehold interests the average

- 1 daily production from which is five barrels or less, and natural gas
- 2 leasehold interests the average daily production from which is 100
- 3 mcf or less, which shall be assessed at 25%..... 30%
- 4 (3) Public utility tangible personal property including inventories
- 5 thereof, except railroad personal property including inventories
- 6 thereof, which shall be assessed at the average rate all other
- 7 commercial and industrial property is assessed..... 33%
- 8 (4) All categories of motor vehicles not defined and specifically valued
- 9 and taxed pursuant to law enacted prior to January 1, 1985..... 30%
- 10 (5) Commercial and industrial machinery and equipment which, if its
- 11 economic life is seven years or more, shall be valued at its retail cost
- 12 when new less seven-year straight-line depreciation, or which, if its
- 13 economic life is less than seven years, shall be valued at its retail
- 14 cost when new less straight-line depreciation over its economic life,
- 15 except that, the value so obtained for such property, notwithstanding
- 16 its economic life and as long as such property is being used, shall
- 17 not be less than 20% of the retail cost when new of such property.....
- 18 25%
- 19 (6) All other tangible personal property not otherwise specifically
- 20 classified..... 30%

21 (b) All property used exclusively for state, county,
 22 municipal, literary, educational, scientific, religious, benevolent
 23 and charitable purposes, farm machinery and equipment,
 24 merchants' and manufacturers' inventories, other than public
 25 utility inventories included in subclass (3) of class 2, livestock,
 26 and all household goods and personal effects not used for the
 27 production of income, shall be exempted from property
 28 taxation."

29 Sec. 2. The following statement shall be printed on the ballot with
 30 the amendment as a whole:

31 "*Explanatory statement.* This amendment would limit annual
 32 valuation increases to 4% for real property for purposes of
 33 property taxation except when the property includes new
 34 construction or improvements have been made to the
 35 property, the class or subclass of the property changes, the
 36 property becomes disqualified from exemption, the property
 37 is first listed as escaped or omitted property, the legal
 38 description of the property changes or title to the property is
 39 transferred, changed or conveyed to another person.

40 "A vote for this proposition would limit annual valuation
 41 increases to 4% for real property except when the property
 42 includes new construction or improvements have been made
 43 to the property, the class or subclass of the property changes,

1 the property becomes disqualified from exemption, the
2 property is first listed as escaped or omitted property, the
3 legal description of the property changes or title to the
4 property is transferred, changed or conveyed to another
5 person. The amendment would also authorize the legislature
6 to define new construction or improvements and to enact
7 such other legislation as is necessary to administer the
8 provision.

9 "A vote against this proposition would provide no change to the
10 Kansas constitution."

11 Sec. 3. This resolution, if approved by two-thirds of the members
12 elected (or appointed) and qualified to the Senate and two-thirds of the
13 members elected (or appointed) and qualified to the House of
14 Representatives, shall be entered on the journals, together with the yeas
15 and nays. The secretary of state shall cause this resolution to be published
16 as provided by law and shall cause the proposed amendment to be
17 submitted to the electors of the state at the general election in November
18 in the year 2024, unless a special election is called at a sooner date by
19 concurrent resolution of the legislature, in which case such proposed
20 amendment shall be submitted to the electors of the state at the special
21 election.