

To: House Taxation Committee, Representative Adam Smith, Chairman

From: John Donley, Kansas Farm Bureau

Date: February 20, 2023

Re: HB 2254- relating to classification of land; including properties used for registered agritourism activities as land devoted to agricultural use

Chairman Smith and members of the Committee, I appreciate the opportunity to provide testimony as a proponent to HB 2254. My name is John Donley, and I am speaking today on behalf of Kansas Farm Bureau (KFB). KFB is the state's largest general farm organization representing more than 30,000 farm and ranch families through our 105 county Farm Bureau Associations.

Specialty crops and agritourism have become an increasingly important aspect of agriculture in the state of Kansas. This is specifically true in areas surrounding more populated regions of the state. KFB believes that it is important that these activities are consistently considered agricultural operations in all areas of the law. HB 2254 is intended to ensure that agritourism activities and the real estate in which they are conducted are considered agricultural.

We have learned of instances where county appraisers have attempted to assess property used for agritourism as commercial property for property tax purposes. This bill simply provides all Kansas county appraisers clarity in the law regarding the method by which these properties should be assessed. By clarifying this issue in the statute, the state is also ensuring that there is a uniform and equal basis of valuation of property as required by the Kansas Constitution.

HB 2254 is an extremely simple bill. It simply clarifies that registered agritourism operations, including the land and the buildings, shall be assessed as agricultural land or agricultural buildings respectively. To ensure absolute clarity on the intent of this bill, I would suggest a minor technical amendment to the language on page 4 of the bill. An amendment to insert the words "or buildings" after the word "land" on page 4, line 4. This amendment will ensure that both the land and the buildings are assessed as agricultural.

Thank you for your positive consideration of this measure, and I encourage you to pass this bill out favorably when the opportunity arrives.