

## 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*  
7 *improvements by law and enact such other legislation as is*  
8 *necessary to 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.