

2023 Kansas Statutes

79-2978. Business machinery and equipment tax reduction assistance fund; distributions, procedures; duties of secretary of revenue. (a) There is hereby established in the state treasury the business machinery and equipment tax reduction assistance fund which shall be administered by the state treasurer. All expenditures from the business machinery and equipment tax reduction assistance fund shall be for the payments to counties for distribution to taxing subdivisions levying ad valorem taxes within the county in accordance with this section.

(b) The secretary of revenue shall adopt a policy using the most current information that is available, and that is determined to be practicable by the secretary for this purpose and shall calculate the following:

(1) On January 31, 2008, the secretary shall calculate for each county an amount equal to the difference in total ad valorem taxes levied by the county on commercial and industrial machinery and equipment for all taxing subdivisions within the county imposing ad valorem taxes on commercial and industrial machinery and equipment for tax year 2005, and the total of such ad valorem taxes levied for tax year 2007 not including any such ad valorem taxes on commercial and industrial machinery and equipment that were abated or exempted prior to July 1, 2006, and which such abatement or exemption expired after July 1, 2006. On or before February 15, 2008, subject to the provisions of subsection (d), the state treasurer shall pay to the county treasurer of each county an amount equal to 90% of such difference for distribution as provided in subsection (e).

(2) On January 31, 2009, the secretary shall calculate for each county an amount equal to the difference in total ad valorem taxes levied by the county on commercial and industrial machinery and equipment for all taxing subdivisions within the county imposing ad valorem taxes on commercial and industrial machinery and equipment for tax year 2005, and the total of such ad valorem taxes levied for tax year 2008 not including any such ad valorem taxes on commercial and industrial machinery and equipment that were abated or exempted prior to July 1, 2006, and which such abatement or exemption expired after July 1, 2006. On March 2, 2009, subject to the provisions of subsection (d) and subsection (g), the state treasurer shall pay to the county treasurer of each county an amount equal to 70% of such difference for distribution as provided in subsection (e).

(3) On January 31, 2010, the secretary shall calculate for each county an amount equal to the difference in total ad valorem taxes levied by the county on commercial and industrial machinery and equipment for all taxing subdivisions within the county imposing ad valorem taxes on commercial and industrial machinery and equipment for tax year 2005, and the total of such ad valorem taxes levied for tax year 2009 not including any such ad valorem taxes on commercial and industrial machinery and equipment that were abated or exempted prior to July 1, 2006, and which such abatement or exemption expired after July 1, 2006. On or before February 15, 2010, subject to the provisions of subsection (d), the state treasurer shall pay to the county treasurer of each county an amount equal to 50% of such difference for distribution as provided in subsection (e).

(4) On January 31, 2011, the secretary shall calculate for each county an amount equal to the difference in total ad valorem taxes levied by the county on commercial and industrial machinery and equipment for all taxing subdivisions within the county imposing ad valorem taxes on commercial and industrial machinery and equipment for tax year 2005, and the total of such ad valorem taxes levied for tax year 2010 not including any such ad valorem taxes on commercial and industrial machinery and equipment that were abated or exempted prior to July 1, 2006, and which such abatement or exemption expired after July 1, 2006. On or before February 15, 2011, subject to the provisions of subsection (d), the state treasurer shall pay to the county treasurer of each county an amount equal to 30% of such difference for distribution as provided in subsection (e).

(5) On January 31, 2012, the secretary shall calculate for each county an amount equal to the difference in total ad valorem taxes levied by the county on commercial and industrial machinery and equipment for all taxing subdivisions within the county

imposing ad valorem taxes on commercial and industrial machinery and equipment for tax year 2005, and the total of such ad valorem taxes levied for tax year 2011 not including any such ad valorem taxes on commercial and industrial machinery and equipment that were abated or exempted prior to July 1, 2006, and which such abatement or exemption expired after July 1, 2006. On or before February 15, 2012, subject to the provisions of subsection (d), the state treasurer shall pay to the county treasurer of each county an amount equal to 10% of such difference for distribution as provided in subsection (e).

(6) There shall be no payments made pursuant to this section after the payments made by the state treasurer on or before February 15, 2012, and the provisions of this section shall expire at such time.

(c) The calculations required by subsection (b) shall be based upon a certification made by the county clerk on or before November 15 of the tax year and submitted to the director of property valuation. Such certification shall be in a format devised and prescribed by the director of property valuation. Such certification shall report the total ad valorem taxes levied by the county on commercial and industrial machinery and equipment for all taxing subdivisions within the county imposing ad valorem taxes on commercial and industrial machinery and equipment. The county clerk shall provide a copy of such certification to the county treasurer for the purpose of determining the distribution of moneys pursuant to the provisions of subsection (e)(2) paid to the county pursuant to subsection (b) by the state treasurer.

(d) If the amount calculated for the difference in subsections (b)(1) through (b)(5) is negative, the amount calculated for such county for such year shall be deemed to be zero and no amount shall be paid to the county treasurer of such county as otherwise provided in subsection (b). Nothing in this section shall be construed to require the county to make any payments to the state in such event that the amount calculated for the difference is negative for the county for such year.

(e) (1) On January 31 of each year specified in this section, the secretary of revenue shall certify to the director of accounts and reports the aggregate of all amounts determined for counties pursuant to subsection (b). Upon receipt of such certification, the director of accounts and reports shall transfer the amount certified from the state general fund to the business machinery and equipment tax reduction assistance fund, except that (A) the aggregate amount of moneys transferred from the state general fund to the business machinery and equipment tax reduction assistance fund during the state fiscal year ending June 30, 2009, pursuant to this section shall not exceed the maximum amount determined pursuant to subsection (g), (B) an amount equal to 50% of the maximum amount determined pursuant to subsection (g) shall be transferred from the state general fund to the business machinery and equipment tax reduction assistance fund on March 2, 2009, (C) no moneys shall be transferred from the state general fund to the business machinery and equipment tax reduction assistance fund during the state fiscal year ending June 30, 2010, pursuant to this section, (D) no moneys shall be transferred from the state general fund to the business machinery and equipment tax reduction assistance fund during the state fiscal year ending June 30, 2011, pursuant to this section, (E) no moneys shall be transferred from the state general fund to the business machinery and equipment tax reduction assistance fund during the state fiscal year ending June 30, 2012, pursuant to this section, (F) no moneys shall be transferred from the state general fund to the business machinery and equipment tax reduction assistance fund during the state fiscal year ending June 30, 2013, pursuant to this section, and (G) no moneys shall be transferred from the state general fund to the business machinery and equipment tax reduction assistance fund during the state fiscal year ending June 30, 2014, pursuant to this section.

(2) The state treasurer shall apportion and distribute the moneys credited to the business machinery and equipment tax reduction assistance fund to the county treasurers in accordance with subsection (b). Upon receipt of each such amount, each county treasurer shall apportion such amount among the ad valorem taxing subdivisions imposing ad valorem taxes on commercial and industrial machinery and equipment in an amount equal to the difference between the total ad valorem taxes on commercial and industrial machinery and equipment levied by each such ad valorem taxing subdivision for the tax year 2005 and the total ad valorem taxes on commercial

and industrial machinery and equipment levied by each such ad valorem taxing subdivision for the tax year of the apportionment, subject to the percentage reduction set forth in subsection (b) for the tax year of the apportionment of such moneys to that county. The county treasurer shall pay such amounts to the taxing subdivisions at the same time or times as their regular operating tax rate mill levy is paid to them.

(f) Before January 31 of 2007 through 2013, the secretary of revenue shall make a detailed report of amounts calculated as required pursuant to subsection (b) for each individual county and in aggregate for all the counties for the current year along with any projections for future years, amounts distributed to the counties pursuant to this section, the amount of ad valorem taxes on commercial and industrial machinery and equipment not included in the total ad valorem taxes for each tax year due to the fact that the tax liability of such machinery and equipment was abated or exempted prior to July 1, 2006, and such abatement or exemption expired after July 1, 2006, for each individual county and in aggregate for all counties and all other relevant information related to the provisions of this section, and shall present such report before such date to the house committee on taxation of the house of representatives and the senate committee on assessment and taxation of the senate for consideration by the legislature in making any appropriate adjustments to the provisions of this section.

(g) (1) The maximum amount that may be transferred during the fiscal year ending June 30, 2009, from the state general fund to the business machinery and equipment tax reduction assistance fund pursuant to this section shall be equal to (A) the amount equal to 93.5% of the aggregate amount determined under subsection (b)(2) plus the amount equal to 93.5% of the aggregate amount determined under subsection (b)(2) of K.S.A. 79-2979, and amendments thereto, multiplied by (B) the result obtained by dividing the amount equal to 93.5% of the aggregate amount determined under subsection (b)(2) by the aggregate of the amount equal to 93.5% of the aggregate amount determined under subsection (b)(2) plus the amount equal to 93.5% of the aggregate amount determined under subsection (b)(2) of K.S.A. 79-2979, and amendments thereto.

(2) If a maximum amount is imposed under this subsection and the aggregate amount transferred from the state general fund to the business machinery and equipment tax reduction assistance fund during state fiscal year 2009 pursuant to this section is reduced, then the amount allocated to each county by the state treasurer under subsection (b)(2) shall be reduced proportionately with respect to aggregate reduction in the amount of such transfer from the state general fund to the business machinery and equipment tax reduction assistance fund during state fiscal year 2009.

History: L. 2006, ch. 205, § 2; L. 2007, ch. 152, § 2; L. 2009, ch. 2, § 88; L. 2009, ch. 144, § 84; L. 2010, ch. 165, § 152; L. 2012, ch. 175, § 162; July 1.