



APPRAISER'S OFFICE

110 Courthouse Plaza
Manhattan, Kansas 66502
Phone: 785-537-6310
Fax: 785-537-6312

E-mail: gmchenry@rileycountyks.gov

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Chairman Steven Johnson
House Taxation Committee
State Capitol, Room 582-N
Topeka, KS 66612

Re: H.B.2367

Dear Chairman Johnson and Members of the Committee:

Thank you for to opportunity to testify on HB 2367. This bill addresses 3 concerns county appraisers have. The bill would: provide avenues for information requests during valuation hearings, provide better equity in the valuation process, and eliminate an unnecessary extra step in the appeals process.

The first change in HB 2367 would simply allow appraisers to request data pertinent to the most accurate valuation of properties. This is the type of information any appraiser, public or private, would use to arrive at an accurate valuation of a property. This information also provides the best opportunity for resolution of differences in opinion for properties under appeal. The change provides only the ability to request the information. Property owners and/or their representatives would still decide if they want to provide the information or not.

The 2016 BOTA update is causing a group of properties to deviate from the market-value standards prescribed in the Kansas Constitution. The second change in HB 2367 would provide fairness and equity for properties of similar class. Current law provides that if a property increases in value by more than 5% over a two-year stretch after a previous determination in a property appeal, then the county must either adjust the property valuation to the previous value or pay for a fee-simple appraisal of the property. This means the properties that fit this criteria are being held to a standard that is less than the market value standard prescribed in the Constitution and those properties values & consequent property tax bills are inequitable to similar properties.

The third change in HB 2367 would eliminate an unnecessary step in the appeals process. Supplemental Appeals add cost and bureaucracy to the appeals process. These types of appeals have been very rarely used by either property owners or counties. Removing this step does not take away any of the rights to appeal properties for either side and removal does not change the Informal Appeals, Small Claims Appeals, Payment Under Protest Appeals or Board of Tax Appeals that have been available for many years. Kansas provides ample opportunities for appealing property valuations, more than most states. Removing the Supplemental Appeals streamlines the process of appeals & reduces costs to all involved.

Thank you for your kind consideration of HB 2367.

Sincerely,

Greg McHenry

Greg McHenry, RMA, AAS
Riley County Appraiser