

**HOUSE BILL No. 2660**

By Representative Hodge

2-7

1 AN ACT concerning property taxation; relating to certain personal  
2 property, motor vehicles and watercraft; amending K.S.A. 79-5111 and  
3 K.S.A. 2017 Supp. 79-5105 and 79-5501 and repealing the existing  
4 sections.

5  
6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. K.S.A. 2017 Supp. 79-5105 is hereby amended to read as  
8 follows: 79-5105. (a) A tax is hereby levied upon every motor vehicle, as  
9 the same is defined by K.S.A. 79-5101, and amendments thereto, in an  
10 amount which shall be determined in the manner hereinafter prescribed,  
11 except that: (1) (A) For 1995, the tax on any motorcycle shall not be less  
12 than \$6 and the tax on any other motor vehicle shall not be less than \$12;  
13 and (B) the tax on each motor vehicle the age of which is 15 years or older  
14 shall not be more than \$12; and (2) for 1996, and each year thereafter: (A)  
15 The tax on any motorcycle shall not be less than \$12 and the tax on any  
16 other motor vehicle shall not be less than \$24, except as otherwise  
17 provided by ~~clause~~ subparagraphs (B) and (C); (B) the tax on any  
18 motorcycle the model year of which is 1980 or earlier shall be \$6 and the  
19 tax on any other motor vehicle the model year of which is 1980 or earlier  
20 shall be \$12; and (C) if the tax on any motorcycle in 1995 was more than  
21 \$6 but less than \$12, the tax shall be determined for 1996 and each year  
22 thereafter in the manner hereinafter prescribed but shall not be less than  
23 \$6, and if the tax on any other motor vehicle in 1995 was more than \$12  
24 but less than \$24, the tax shall be determined for 1996 and each year  
25 thereafter in the manner hereinafter prescribed but shall not be less than  
26 \$12.

27 (b) The amount of such tax on a motor vehicle shall be computed by:  
28 (1) Determining the amount representing the midpoint of the values  
29 included within the class in which such motor vehicle is classified under  
30 K.S.A. 79-5102 or 79-5103, and amendments thereto, except that the  
31 midpoint of class 20 shall be \$21,000 plus \$2,000 for each \$2,000 or  
32 portion thereof by which the trade-in value of the vehicle exceeds \$22,000;  
33 (2) if the model year of the motor vehicle is a year other than the year for  
34 which the tax is levied, by reducing such midpoint amount by an amount  
35 equal to 16% in 1995, and all years prior thereto, and 15% in 1996, and all  
36 years thereafter, of the remaining balance for each year of difference

1 between the model year of the motor vehicle and the year for which the tax  
2 is levied if the model year of the motor vehicle is 1981 or a later year or  
3 (B) the remaining balance for each year of difference between the year  
4 1980 and the year for which the tax is levied if the model year of the motor  
5 vehicle is 1980 or any year prior thereto; (3) by multiplying the amount  
6 determined after application of ~~clause subparagraph (2) above by 30%~~  
7 ~~during calendar year 1995, 28.5% during the calendar year 1996, 26.5%~~  
8 ~~during the calendar year 1997, 24.5% during the calendar year 1998,~~  
9 ~~22.5% during the calendar year 1999~~ 22% for all motor vehicles valued at  
10 \$100,000 or more, and 20% ~~during all calendar years thereafter~~ for all  
11 other motor vehicles, which shall constitute the taxable value of the motor  
12 vehicle; and (4) by multiplying the taxable value of the motor vehicle  
13 produced under ~~clause subparagraph (3) above~~ by the county average tax  
14 rate.

15 (c) The "county average tax rate" means the total amount of general  
16 property taxes levied within the county by the state, county and all other  
17 taxing subdivisions levying such taxes within such county in the second  
18 calendar year before the calendar year in which the owner's full  
19 registration year begins divided by the total assessed tangible valuation of  
20 property within such county as of November 1 of such second calendar  
21 year before the calendar year in which the owner's full registration year  
22 begins as certified by the secretary of revenue, except that such rate shall  
23 be computed without regard to the general property taxes levied by school  
24 districts pursuant to law.

25 Sec. 2. K.S.A. 79-5111 is hereby amended to read as follows: 79-  
26 5111. (a) For the purpose of preparing budgets, the county treasurer of  
27 each county shall estimate the amount of money the state, county and each  
28 taxing subdivision in the county will receive during the ensuing budget  
29 year from taxes levied under the provisions of K.S.A. 79-5101 et seq., and  
30 amendments thereto. Except as otherwise provided in subsection (b), the  
31 amount estimated to be received by the state, county and each taxing  
32 subdivision shall be that portion of the total amount estimated to be  
33 received by the state, county and all taxing subdivisions which is equal to  
34 the proportion which the general ad valorem property tax levies of the  
35 state, county and each taxing subdivision in the county utilized in  
36 computing the county average tax rate for the purposes of K.S.A. 79-5105,  
37 and amendments thereto, bear to the sum of all such tax levies of the state,  
38 county and all taxing subdivisions in the county made in the preceding  
39 year for expenditure in the current year. On or before May 10 of each year  
40 the county treasurer of each county shall notify the clerk and the treasurer  
41 of each taxing subdivision of the total amount in dollars which it is  
42 estimated such subdivision will receive during the ensuing budget year  
43 from the receipts from such tax. In the case of the state, such notice shall

1 be given to the director of accounts and reports. The amount estimated to  
2 be received by taxing subdivisions from receipts from such tax shall be  
3 apportioned among the general ad valorem property tax funds of such  
4 subdivisions in the proportion that the amount levied for each such fund in  
5 the preceding year for expenditure in the current year bears to the total  
6 amount levied for all of such funds in such year and shall be set out  
7 separately as an item of income for each such fund. The director of  
8 accounts and reports shall make suitable provision in the budget forms to  
9 be used by such subdivisions for calculating this apportionment and listing  
10 income received from taxes levied under the provisions of this act.

11 *(b) Additional tax revenue generated under K.S.A. 79-5105(b)(3),*  
12 *and amendments thereto, from the difference between the 22% and 20%*  
13 *multipliers shall be remitted to the state treasurer in accordance with the*  
14 *provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of*  
15 *each such remittance, the state treasurer shall deposit the entire amount in*  
16 *the state treasury to the credit of the state general fund.*

17 Sec. 3. K.S.A. 2017 Supp. 79-5501 is hereby amended to read as  
18 follows: 79-5501. (a) On and after July 1, 2013, watercraft shall be  
19 appraised at fair market value determined therefor pursuant to K.S.A. 79-  
20 503a, and amendments thereto, and assessed at the percentage of value as  
21 follows: (1) 11.5% in tax year 2014; and (2) 5% in tax year 2015 and all  
22 tax years thereafter. On and after January 1, 2014, the levy used to  
23 calculate the tax on watercraft shall be the county average tax rate. In no  
24 case shall the assessed value of any watercraft, as determined under the  
25 provisions of this section, cause the tax upon such watercraft to be less  
26 than \$12.

27 (b) As used in this section, the term "watercraft" means any  
28 watercraft designed to be propelled by machinery, oars, paddles or wind  
29 action upon a sail for navigation on the water which, if not for the  
30 provisions of this section, would be properly classified under subclass 5 or  
31 6 of class 2 of section 1 of article 11 of the *constitution of the state of*  
32 ~~Kansas—constitution~~. This section shall not be construed as taxing any  
33 watercraft which otherwise would be exempt from property taxation under  
34 the laws of the state of Kansas. Each watercraft may include one trailer  
35 which is designed to launch, retrieve, transport and store such watercraft  
36 and any nonelectric motor or motors which are necessary to operate such  
37 watercraft on the water.

38 (c) Any watercraft which is designed to be propelled through the  
39 water through human power alone shall be exempt from all property or ad  
40 valorem taxes levied under the laws of the state of Kansas.

41 (d) The "county average tax rate" means the total amount of general  
42 property taxes levied within the county by the state, county and all other  
43 taxing subdivisions divided by the total assessed valuation of all taxable

1 property within the county as of November 1 of the year prior to the year  
2 of valuation as certified by the secretary of revenue.

3 *(e) In tax year 2018, and all tax years thereafter, watercraft with an*  
4 *appraised market value of \$50,000 or more shall be assessed at 5.5% of*  
5 *value.*

6 *(f) Any additional revenue generated from the difference between the*  
7 *5.5% and 5% assessment rates shall be remitted to the state treasurer in*  
8 *accordance with K.S.A. 75-4215, and amendments thereto. Upon receipt of*  
9 *each such remittance, the state treasurer shall deposit the entire amount in*  
10 *the state treasury to the credit of the state general fund.*

11 Sec. 4. K.S.A. 79-5111 and K.S.A. 2017 Supp. 79-5105 and 79-5501  
12 are hereby repealed.

13 Sec. 5. This act shall take effect and be in force from and after its  
14 publication in the statute book.