

**HOUSE BILL No. 2684**

By Committee on Taxation

2-13

1 AN ACT concerning taxation; relating to the financing of education;  
2 decreasing the required mill levy; extending the property tax exemption  
3 for residential property from the statewide school levy; amending  
4 K.S.A. 79-201x and K.S.A. 2019 Supp. 72-5142 and repealing the  
5 existing sections.

6  
7 WHEREAS, The provisions of K.S.A. 2019 Supp. 72-5142(b), an  
8 amended by this act, shall be known as the property tax reduction and  
9 stabilization act.

10 Now, therefore:

11 *Be it enacted by the Legislature of the State of Kansas:*

12 Section 1. K.S.A. 2019 Supp. 72-5142 is hereby amended to read as  
13 follows: 72-5142. (a) The board of education of each school district shall  
14 levy an ad valorem tax upon the taxable tangible property of the school  
15 district in the school years specified in subsection (b) for the purpose of:

16 (1) Financing that portion of the school district's general fund budget  
17 that is not financed from any other source provided by law;

18 (2) paying a portion of the costs of operating and maintaining public  
19 schools in partial fulfillment of the constitutional obligation of the  
20 legislature to finance the educational interests of the state; and

21 (3) with respect to any redevelopment school district established prior  
22 to July 1, 1997, pursuant to K.S.A. 12-1771, and amendments thereto,  
23 paying a portion of the principal and interest on bonds issued by cities  
24 under authority of K.S.A. 12-1774, and amendments thereto, for the  
25 financing of redevelopment projects upon property located within the  
26 school district.

27 (b) (1) The tax required under subsection (a) shall be levied at a rate  
28 of ~~20 mills in the school years 2019-2020 and 2020-2021:~~

29 (A) *19 mills in school year 2020-2021; and*

30 (B) *18 mills in school year 2021-2022.*

31 (2) (A) *Commencing with school year 2021-2022, and each school*  
32 *year thereafter, the mill levy rate provided for in paragraph (1) shall be*  
33 *decreased for the immediately succeeding school year in accordance with*  
34 *this paragraph.*

35 (B) *If the statewide property valuation for all school districts in the*  
36 *current school year exceeds the statewide property valuation for all school*

1 *districts in the immediately preceding school year; and the BASE aid for*  
2 *the current school year exceeds the BASE aid for the immediately*  
3 *preceding school year; then on or before June 1:*

4 *(i) The director of legislative research shall certify to the department*  
5 *of revenue the amount equal to the difference between the BASE aid for*  
6 *the current school year and the BASE aid for the immediately preceding*  
7 *school year; multiplied by the total enrollment for all school districts in the*  
8 *current school year; and*

9 *(ii) the secretary of revenue shall certify the amount equal to the*  
10 *difference between the statewide property valuation for all school districts*  
11 *in the current school year and the statewide property valuation for all*  
12 *school districts in the immediately preceding school year.*

13 *(C) If the amount certified by the secretary of revenue pursuant to*  
14 *subsection (b)(2)(B)(ii) exceeds the amount certified by the director of*  
15 *legislative research pursuant to subsection (b)(2)(B)(i), then the secretary*  
16 *shall determine the difference between the two certified amounts and*  
17 *calculate the mill rate equivalent to such difference. The mill levy rate*  
18 *provided for in paragraph (1) for the immediately succeeding school year*  
19 *shall be decreased by the mill rate equivalent to such difference. The*  
20 *secretary shall publish the new mill rate to be levied by school districts for*  
21 *the immediately succeeding school year in the Kansas register.*

22 *(c) The proceeds from the tax levied by a district under authority of*  
23 *this section, except the proceeds of such tax levied for the purpose*  
24 *described in subsection (a)(3), shall be remitted to the state treasurer in*  
25 *accordance with the provisions of K.S.A. 75-4215, and amendments*  
26 *thereto. Upon receipt of each such remittance, the state treasurer shall*  
27 *deposit the entire amount in the state treasury to the credit of the state*  
28 *school district finance fund.*

29 *(d) No school district shall proceed under K.S.A. 79-1964, 79-1964a*  
30 *or 79-1964b, and amendments thereto.*

31 *Sec. 2. K.S.A. 79-201x is hereby amended to read as follows: 79-*  
32 *201x. For taxable years ~~2019 and 2020~~ and 2021, the following described*  
33 *property, to the extent ~~herein~~ specified, shall be and is hereby exempt from*  
34 *the property tax levied pursuant to the provisions of K.S.A. 72-5142, and*  
35 *amendments thereto: Property used for residential purposes to the extent of*  
36 *\$20,000 of its appraised valuation.*

37 *Sec. 3. K.S.A. 79-201x and K.S.A. 2019 Supp. 72-5142 are hereby*  
38 *repealed.*

39 *Sec. 4. This act shall take effect and be in force from and after its*  
40 *publication in the statute book.*