

SESSION OF 2014

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2648

As Amended by House Committee on
Commerce, Labor and Economic Development

Brief*

HB 2648, as amended, would provide for a 25th property tax exemption for land owned by a municipality that is part of a public levee that is leased to a private party.

The bill would be in effect upon publication in the *Kansas Register*.

Background

Representatives of the Unified Government of Wyandotte County and Kansas City spoke in favor of the bill at the House Committee hearing, stating the public levee is a tract of ground on the southern end of the Fairfax Industrial Park that was granted to the former City of Wyandot in 1859. Buildings on the site have been used for commercial food storage for 77 years. The Unified Government is working with developers to raze the old buildings and construct a new industrial park worth approximately \$30 million. Proponents stated the clarification of the tax status of the leased levee property would allow for the enhancements to be taxed and to allow for a tax-increment finance (TIF) district to be established to help pay for environmental clean-up.

There was no neutral or opponent testimony.

The House Committee on Commerce, Labor and Economic Development amended the bill by deleting

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

reference to the starting tax year in which the exemption would take effect.

According to the fiscal note prepared by the Division of the Budget, in consultation with the Department of Revenue, the bill would reduce property tax revenues paid to the state and local governments. However, no data are available on the assessed value for this type of property to make a precise estimate.