

SENATE BILL No. 8

By Senator Steffen

1-3

1 AN ACT concerning property taxation; relating to personal property;  
2 reducing penalties for the late filing of or the failure to file statements  
3 listing property for assessment and the discovery of escaped property;  
4 **reporting changes after initial statement**; amending K.S.A. 79-306,  
5 79-332a, 79-1422 and 79-1427a and repealing the existing sections.

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

8 **Section 1. K.S.A. 79-306 is hereby amended to read as follows: 79-**  
9 **306. On or before March 15 of each year, or the next following business**  
10 **day if such date falls on a day other than a regular business day, every**  
11 **person, association, company or corporation required by this act to list**  
12 **property shall make and personally sign a statement listing all tangible**  
13 **personal property which by this act such person is required to list, either**  
14 **as the owner thereof, or as parent, guardian, trustee, executor,**  
15 **administrator, receiver, accounting officer, partner or agent, as the case**  
16 **may be, and deliver the same to the county appraiser of the county where**  
17 **such property has its situs for the purpose of taxation. In addition to the**  
18 **foregoing requirements, any such statement prepared by a personal**  
19 **property tax rendition form preparer shall be certified as true and**  
20 **correct by such preparer's signature. On and after January 1, 2024, after**  
21 **a person has filed an initial statement listing property with the county**  
22 **appraiser pursuant to this section, no subsequent annual statement shall**  
23 **be required to be filed with the county appraiser regarding such property**  
24 **unless there is a change to report relating to the property previously listed**  
25 **or the statement.**

26 ~~Section 1.~~ **Sec. 2.** K.S.A. 79-332a is hereby amended to read as  
27 follows: 79-332a. (a) Any person, corporation or association owning oil  
28 and gas leases or engaged in operating for oil or gas who fails to make and  
29 file a statement of assessment on or before April 1 shall be subject to a  
30 penalty as follows:

31 (1) The appraiser shall, after having ascertained the assessed value of  
32 the property of such taxpayer, add ~~5%~~ 2% thereto as a penalty for late  
33 filing if the failure is not for more than one month, with an additional ~~5%~~  
34 2% for each additional month or fraction thereof during which such failure  
35 continues, not exceeding ~~25%~~ 10% in the aggregate.

36 (2) If the statement of assessment is filed more than one year from

1 April 1, the appraiser shall, after having ascertained the assessed value of  
2 the property of such taxpayer, add ~~50%~~ 12.5% thereto as a penalty for late  
3 filing. The county treasurer may not distribute any taxes assessed under  
4 this section and paid under protest by the taxpayer pursuant to K.S.A. 79-  
5 2005, and amendments thereto, until such time as the appeal is final.

6 (b) For good cause shown the county appraiser may extend the time  
7 in which to make and file such statement. Such request for extension of  
8 time shall be in writing and shall be received by the county appraiser prior  
9 to the due date of the statement of assessment.

10 (c) Whenever any person, corporation or association owning oil and  
11 gas leases or engaged in operating for oil or gas shall fail to make and  
12 deliver to the county appraiser of every county wherein the property to be  
13 assessed is located, a full and complete statement of assessment relative to  
14 such property as required by blank forms prepared or approved for the  
15 purpose by the director of property valuation to elicit the information  
16 necessary to fix the valuation of the property, the appraiser shall ascertain  
17 the assessed value of the property of such taxpayer, and shall add ~~50%~~  
18 12.5% thereto as a penalty for failing to file such statement.

19 (d) The state board of tax appeals shall have the authority to abate  
20 any penalty imposed under the provisions of this section and order the  
21 refund of the abated penalty, whenever excusable neglect on the part of the  
22 person, corporation or association required to make and file the statement  
23 of assessment is shown, or whenever the property for which a statement of  
24 assessment was not filed as required by law is repossessed, judicially or  
25 otherwise, by a secured creditor and such secured creditor pays the taxes  
26 and interest due.

27 ~~Sec. 2.~~ 3. K.S.A. 79-1422 is hereby amended to read as follows: 79-  
28 1422. (a) Any person required to file a statement listing property for  
29 assessment and taxation purposes under the provisions of this act who fails  
30 to make and file such statement on or before the date prescribed by K.S.A.  
31 79-306, and amendments thereto, shall be subject to a penalty as follows:

32 The appraiser shall, after having ascertained the assessed value of the  
33 property of such taxpayer, add ~~5%~~ 2% thereto as a penalty for late filing if  
34 the failure is not for more than one month, with an additional ~~5%~~ 2% for  
35 each additional month or fraction thereof during which such failure  
36 continues, not exceeding ~~25%~~ 10% in the aggregate.

37 For good cause shown the appraiser ~~may shall~~ extend ~~the a reasonable~~  
38 **amount of** time in which to make and file such statement. Such request for  
39 extension of time must be in writing and shall state just and adequate  
40 reasons on which the request ~~may shall~~ be granted. ~~The request must be~~  
41 ~~received by the appraiser prior to the due date of the statement.~~ **For**  
42 **purposes of this section, on and after January 1, 2022, good cause for**  
43 **granting an extension of time in which to make and file a statement**

1 *listing property for assessment and taxation purposes shall include, but*  
2 *not be limited to, the previous classification of the property as real*  
3 *property or as a fixture to real property. Such previous classification*  
4 *shall specifically include, but not be limited to, machinery and*  
5 *equipment used in the grain storage and processing industry, ethanol*  
6 *processing industry or other biofuels processing industry that had been*  
7 *previously classified as real property or fixtures to real property.*

8 (b) If, within one year following the date prescribed by K.S.A. 79-  
9 306, and amendments thereto, any person shall fail to make and file the  
10 statement listing property for assessment and taxation purposes or shall  
11 fail to make and file a full and complete statement listing property for such  
12 purposes, the appraiser shall proceed to ascertain the assessed value of the  
13 property of such taxpayer, and for this purpose the appraiser may examine  
14 under oath any person or persons whom the appraiser deems to have  
15 knowledge thereof. The appraiser shall, after having ascertained the  
16 assessed value of such property, add ~~50%~~ 12.5% thereto as a penalty for  
17 failure to file such statement or for failure to file a full and complete  
18 statement.

19 (c) The state board of tax appeals *or the county appraiser* shall ~~have~~  
20 ~~the authority to~~ abate any penalty imposed under the provisions of this  
21 section and order the refund of the abated penalty, whenever excusable  
22 neglect on the part of the person required to make and file the statement  
23 listing property for assessment and taxation purposes is shown, or  
24 whenever the property for which a statement of assessment was not filed  
25 as required by law is repossessed, judicially or otherwise, by a secured  
26 creditor and such secured creditor pays the taxes and interest due. *For*  
27 *purposes of this section, on and after January 1, 2022, excusable neglect*  
28 *for the failure to make and file a statement listing property for*  
29 *assessment and taxation purposes shall include, but not be limited to, the*  
30 *previous classification of the property as real property or as a fixture to*  
31 *real property. Such previous classification shall specifically include, but*  
32 *not be limited to, machinery and equipment used in the grain storage*  
33 *and processing industry, ethanol processing industry or other biofuels*  
34 *processing industry that had been previously classified as real property*  
35 *or fixtures to real property.*

36 Sec. ~~3~~ 4. K.S.A. 79-1427a is hereby amended to read as follows: 79-  
37 1427a. (a) If, the county appraiser discovers, after the tax roll has been  
38 certified to the county clerk, that any tangible personal property subject to  
39 taxation has been omitted from the tax rolls, the county clerk shall place  
40 such property on the tax roll as an added tax, or if, after one year from the  
41 date prescribed by K.S.A. 79-306, and amendments thereto, for the listing  
42 of tangible personal property, the county appraiser discovers that any  
43 tangible personal property ~~which~~ *that* was subject to taxation in any year

1 or years within two years next preceding January 1 of the calendar year in  
2 which it was discovered has not been listed or has been underreported for  
3 whatever reason, such property shall be deemed to have escaped taxation.  
4 In the case of property ~~which~~ that has not been listed, it shall be the duty  
5 of the county appraiser to list and appraise such property and, for an added  
6 tax, add penalties as prescribed in K.S.A. 79-1422, and amendments  
7 thereto, and ~~which~~ that shall be designated on the appraisal roll as an  
8 added appraisal for that year. In the case of property ~~which~~ that has  
9 escaped taxation, it shall be the duty of the county appraiser to list and  
10 appraise such property and add ~~50%~~ 12.5% thereto as a penalty for  
11 escaping taxation for each such year during which such property was not  
12 listed, and it shall be designated on the appraisal roll as "escaped  
13 appraisal" for each such preceding year or years. In the case of property  
14 ~~which~~ that has been listed but underreported, it shall be the duty of the  
15 county appraiser to list and appraise the underreported portion of such  
16 property and add ~~50%~~ 12.5% thereto as a penalty for escaping taxation for  
17 each such year during which such property was underreported, and it shall  
18 be designated on the appraisal roll as "escaped appraisal" for each such  
19 preceding year or years. The county clerk, upon receipt of the valuation for  
20 such property in either of the aforementioned cases, shall place such  
21 property on the tax rolls and compute the amount of tax due based upon  
22 the mill levy for the year or years in which such tax should have been  
23 levied, and shall certify such amount to the county treasurer as an added or  
24 escaped appraisal. The amount of such tax shall be due immediately and  
25 payable within 45 days after the issuance of an additional or escaped  
26 property tax bill by the county treasurer. The county treasurer may not  
27 distribute any taxes assessed under this section and paid under protest by  
28 the taxpayer pursuant to K.S.A. 79-2005, and amendments thereto, until  
29 such time as the appeal is final. No interest shall be imposed unless the tax  
30 remains unpaid after such 45-day period. Taxes levied pursuant to this  
31 section ~~which~~ that remain unpaid after such 45-day period shall be deemed  
32 delinquent and the county treasurer shall collect and distribute such tax in  
33 the same manner as prescribed by law for the collection and distribution of  
34 other taxes levied upon property ~~which~~ that are delinquent. If the owner of  
35 such property is deceased, taxes charged as herein provided shall be levied  
36 against the estate of such deceased person for only two calendar years  
37 preceding death and shall be paid by the legal representative or  
38 representatives of such estate. In the event that such escaped appraisal is  
39 due to any willful or clerical error of the county appraiser, such property  
40 shall be appraised at its fair market value and no penalty shall be added.

41 (b) A taxpayer with a grievance as to any penalty applied pursuant to  
42 the provisions of this section, may appeal to the state board of tax appeals  
43 on forms prepared by the state board of tax appeals and provided by the

1 county appraiser. The state board of tax appeals shall have the authority to  
2 abate any penalty imposed under the provisions of this section and order  
3 the refund of the abated penalty, whenever excusable neglect on the part of  
4 the person required to make and file the statement listing property for  
5 assessment and taxation purposes is shown, or whenever the property  
6 ~~which~~ *that* has been deemed to have escaped taxation is repossessed,  
7 judicially or otherwise, by a secured creditor and such creditor pays the  
8 taxes and interest due. No interest shall be assessed during the pendency of  
9 this appeal.

10 (c) The provisions of this section shall apply to any tangible personal  
11 property discovered during the calendar years 1982, 1983, 1984 and any  
12 year thereafter to have escaped appraisal and taxation during any such year  
13 or any year within two years next preceding any such year.

14 ~~Sec. 4.~~ **5.** K.S.A. ~~79-306~~, 79-332a, 79-1422 and 79-1427a are hereby  
15 repealed.

16 ~~Sec. 5.~~ **6.** This act shall take effect and be in force from and after its  
17 publication in the statute book.