

HOUSE BILL No. 2397

AN ACT concerning property taxation; relating to time for payment; adjusting certain state property taxes; amending K.S.A. 12-1678a, 72-6431, 76-6b01, 76-6b04, 76-6b11, 79-2004, 79-2004a, 79-2017, 79-2201 and 79-5109 and K.S.A. 2002 Supp. 79-6a04, 79-2101 and 79-4521 and repealing the existing sections.

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

Section 1. On January 1, 2004, and after publication in the Kansas register of the notice prescribed by section 15 of this act, K.S.A. 12-1678a is hereby amended to read as follows: 12-1678a. (a) For the purposes of this section, taxes shall include ad valorem property taxes, local gross earnings taxes, special assessments and all other taxes and fees collected with or at the same time as ad valorem property taxes.

(b) The board of county commissioners of any county may invest the undistributed taxes of any taxing subdivision in the possession of the county treasurer pursuant to the provisions of this section. The moneys shall be invested pursuant to K.S.A. 12-1675 and 12-1676, and amendments thereto.

(c) The county treasurer shall distribute the taxes collected for each taxing subdivision within or partially within the county as follows:

(1) On or before January 20, ~~July 20~~ June 5 and October 31, the estimated amount collected for and owed to the taxing subdivision, but not less than the amount actually collected as of not more than 20 days prior to the distribution date, and on or before the last business day before March 20, ~~May 20~~ and September 20, not less than 95% of the estimated amount collected for and owed to each taxing subdivision but not less than the amount actually collected as of not more than 20 days prior to the distribution date. Except as provided in subsection (d), no payments of any interest earned on the investment of the tax collections shall be paid to the taxing subdivisions.

(2) In addition to the distributions required by the foregoing provisions of this section, the county treasurer shall make a distribution on February 5, 1990, of the estimated amount collected for and owed to each taxing subdivision, but not less than the amount actually collected as of January 17, 1990.

(3) To those taxing subdivisions which request special payment in advance of the dates provided by subsection (c)(1), in order to meet the expenditure needs of the taxing subdivisions as certified by the chief financial officer or governing body thereof, as follows: The amount requested, but not exceeding the amount actually collected for and owed to the taxing subdivision. When requesting an advance payment, the chief financial officer or the governing body of the taxing subdivision shall certify that the taxing subdivision has neither sufficient cash on hand nor any investment which can be converted to cash to meet the expenditure needs of the taxing subdivision. Except as provided by this subsection, the county treasurer shall distribute the payment requested. No payment shall be made under this subsection between December 1 of any year and January 1 of the next succeeding year, or between ~~June 1 and July 1~~ May 1 and June 1 of any year.

(d) The board of county commissioners and the governing body of any taxing subdivision within or partially within the county may enter into agreements providing for the distribution of taxes and any interest earnings thereon in a manner alternative to the methods provided by this section, and any such agreements now in existence shall not be deemed to be invalidated by this enactment.

(e) All moneys received by the county as interest upon the investment of undistributed taxes, and not paid to taxing subdivisions as provided or authorized shall be retained by the county treasurer and shall be paid into the general fund of the county.

Sec. 2. On January 1, 2004, and after publication in the Kansas register of the notice prescribed by section 15 of this act, K.S.A. 72-6431 is hereby amended to read as follows: 72-6431. (a) The board of each district shall levy an ad valorem tax upon the taxable tangible property of the district in the school years specified in subsection (b) for the purpose of:

- (1) Financing that portion of the district's general fund budget which is not financed from any other source provided by law;
- (2) paying a portion of the costs of operating and maintaining public

schools in partial fulfillment of the constitutional obligation of the legislature to finance the educational interests of the state; and

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

(b) The tax required under subsection (a) shall be levied at a rate of 20 mills in the 2001-02 school year and in the 2002-03 school year.

(c) The proceeds from the tax levied by a district under authority of this section, except the proceeds of such tax levied for the purpose of paying a portion of the principal and interest on bonds issued by cities under authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the district, shall be deposited in the general fund of the district.

(d) On June 16 of each year, the amount, if any, by which a district's local effort exceeds the amount of the district's state financial aid, as determined by the state board, shall be remitted to the state treasurer. Upon receipt of any such remittance, the state treasurer shall deposit the same in the state treasury to the credit of the state school district finance fund.

(e) No district shall proceed under K.S.A. 79-1964, 79-1964a or 79-1964b, and amendments thereto.

Sec. 3. On January 1, 2004, and after publication in the Kansas register of the notice prescribed by section 15 of this act, K.S.A. 2002 Supp. 79-6a04 is hereby amended to read as follows: 79-6a04. The director of property valuation each year, shall make a levy for purposes of taxation, against the value assessed and determined to exist in accordance with the manner and method set forth in article 6a of chapter 79 of Kansas Statutes Annotated, and amendments thereto, at a rate which shall equal the average rate of levy for all purposes in the several taxing districts of the state for the preceding year.

For the purposes of such valuation, assessment and taxation, the taxable situs of the over-the-road vehicles and other rolling equipment determined to be taxable under this act is hereby declared to be within this state whether owned, used or operated by a motor carrier who is a resident or nonresident of Kansas and irrespective of whether such motor carrier be domiciled in Kansas or otherwise.

The director of property valuation shall cause to be sent to each motor carrier on or before the first day of August a statement of the amount of the valuation or assessment, the rate of levy and the amount of the tax. The determination contained in such statement shall not require an adjudicative proceeding under the Kansas administrative procedure act. The statement shall inform the motor carrier of the right to an informal conference as provided in this section. The failure to request an informal conference shall not preclude any appeal under K.S.A. 74-2438, and amendments thereto. If a motor carrier has any objection to the statement as issued, the motor carrier must, within 15 days of the date of mailing of such notice, notify the director of property valuation in writing of such objection, setting forth the basis therefor and all facts relating thereto. Within 30 days of the date of receipt by the director of property valuation of such written objection, the director shall hold an informal conference with the motor carrier and shall issue a written finding, ruling, order, decision or other final action thereon, which finding, ruling, order, decision or other final action shall become effective for purposes of the appeal as provided by K.S.A. 74-2438, and amendments thereto, three days following the mailing of a copy thereof to the motor carrier. Informal conferences held pursuant to this section may be conducted by the director or the director's designee. The rules of evidence shall not apply to an informal conference and no record shall be made except at the request and expense of the director or the motor carrier.

The tax as finally determined shall be paid by the motor carrier to the director of property valuation. The motor carrier may, at its option, pay the full amount thereof on or before December 20 of each year, or 1/2 thereof on or before December 20 and the remaining 1/2 thereof on or before ~~June 20~~ *May 10* next ensuing, but in the event a motor carrier so charged with tax hereunder fails to pay the first 1/2 thereof, the full amount

shall become immediately due and payable. If such motor carrier's taxes are less than \$50, the amount thereof shall be paid on or before December 20 or be subject to the penalties herein provided. In case the first ½ of such taxes remains unpaid after December 20, the entire and full amount of taxes charged shall draw interest at the rate prescribed by K.S.A. 79-2004a, and amendments thereto, from December 20 to date of payment. All taxes levied hereunder of the preceding year and accrued interest thereon which shall remain due and unpaid on ~~June 21~~ *May 11* shall draw interest at the rate prescribed by K.S.A. 79-2004a, and amendments thereto, from ~~June 20~~ *May 10* until paid. All moneys collected under the provisions of this act, except as provided in K.S.A. 79-6a09, and amendments thereto, shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state general fund.

Sec. 4. On January 1, 2004, and after publication in the Kansas register of the notice prescribed by section 15 of this act, K.S.A.79-2004 is hereby amended to read as follows: 79-2004. (a) Except as provided by K.S.A. 79-4521, any person charged with real property taxes on the tax books in the hands of the county treasurer may pay, at such person's option, the full amount thereof on or before December 20 of each year, or ½ thereof on or before December 20 and the remaining ½ on or before ~~June 20~~ *May 10* next ensuing. If the full amount of the real property taxes listed upon any tax statement is \$10 or less the entire amount of such tax shall be due and payable on or before December 20.

In case the first half of the real property taxes remains unpaid after December 20, the first half of the tax shall draw interest at the rate prescribed by K.S.A. 79-2968, and amendments thereto, plus two percentage points, per annum and may be paid at any time prior to ~~June 20~~ *May 10* following by paying ½ of the tax together with interest at such rate from December 20 to date of payment. Subject to the provisions of subsection (d), all real property taxes of the preceding year and accrued interest thereon which remain due and unpaid on ~~June 21~~ *May 11* shall accrue interest at the rate prescribed by K.S.A. 79-2968, and amendments thereto, plus two percentage points, per annum from ~~June 20~~ *May 10* until paid, or until the real property is sold for taxes by foreclosure as provided by law. Except as provided by subsection (c), all interest herein provided shall be credited to the county general fund, and whenever any such interest is paid the county treasurer shall enter the amount of interest so paid on the tax rolls in the proper column and account for such sum.

(b) Whenever any date prescribed in subsection (a) for the payment of real property taxes occurs on a Saturday or Sunday, such date for payment shall be extended until the next-following regular business day of the office of the county treasurer.

(c) The board of county commissioners may enter into an agreement with the governing body of any city located in the county for the distribution of part or all of the interest paid on special assessments levied by the city which remain unpaid.

(d) All real property taxes of any year past due and unpaid on the effective date of this section and interest accrued thereon pursuant to this section prior to its amendment by this act shall draw interest at the rate prescribed by K.S.A. 79-2968, and amendments thereto, plus two percentage points, per annum from the effective date of this section until paid or until the real property is sold for taxes by foreclosure as provided by law.

Sec. 5. On January 1, 2004, and after publication in the Kansas register of the notice prescribed by section 15 of this act, K.S.A. 79-2004a is hereby amended to read as follows: 79-2004a. (a) Any taxpayer charged with personal property taxes on the tax books in the hands of the county treasurer may at such taxpayer's option pay the full amount thereof on or before December 20 of each year, or ½ thereof on or before December 20 and the remaining ½ thereof on or before ~~June 20~~ *May 10* next ensuing, except that: (1) All unpaid personal property taxes of the preceding year must first be paid; and (2) if the full amount of the personal property

taxes listed upon any tax statement shall be \$10 or less the entire amount of such taxes shall be due and payable on or before December 20.

In the event anyone charged with personal property taxes shall fail to pay the first half thereof on or before December 20, the full amount thereof shall become immediately due and payable.

In case the first half of the taxes remains unpaid after December 20, the entire and full amount of personal property taxes charged shall draw interest at the rate prescribed by K.S.A. 79-2968, and amendments thereto, plus two percentage points, per annum from December 20 to date of payment. Subject to the provisions of subsection (c) all personal property taxes of the preceding year and interest thereon which shall remain due and unpaid on ~~June 21~~ *May 11* shall draw interest at the rate prescribed by K.S.A. 79-2968, and amendments thereto, plus two percentage points, per annum from ~~June 20~~ *May 10* until paid. All interest herein provided for shall be credited to the county general fund and retained by the county, and whenever any such interest is paid, the county treasurer shall enter the amount of interest so paid on the tax rolls in the proper column and account for such sum.

(b) Whenever any date prescribed in subsection (a) for the payment of personal property taxes occurs on a Saturday or Sunday, such date for payment shall be extended until the next-following regular business day of the office of the county treasurer.

(c) All personal property taxes of any year past due and unpaid on the effective date of this section and interest accrued thereon pursuant to this section prior to its amendment by this act shall draw interest at the rate prescribed by K.S.A. 79-2968, and amendments thereto, plus two percentage points, per annum from the effective date of this section until paid.

Sec. 6. On January 1, 2004, and after publication in the Kansas register of the notice prescribed by section 15 of this act, K.S.A. 79-2201 is hereby amended to read as follows: 79-2201. The county treasurer shall remit all moneys allocated to the state from the proceeds of tax levies imposed by K.S.A. 76-6b01, 76-6b04 and 76-6b09 and amendments thereto, except the proceeds of such tax levies imposed upon motor vehicles, to the state treasurer as provided in this section. The county treasurer, on or before October 31, January 20, March ~~5 20~~, ~~May 20~~, ~~July 20~~ *June 5* and September ~~5 20~~ of each year, shall remit to the state treasurer the estimated amount collected for and owed to the state, except that the amount so determined and remitted shall not be less than the actual amount collected for the state as of the date which is 20 days prior to the date of remittance. Each such remittance shall be accompanied by certification which specifies the amount for each year for which the taxes were collected and are remitted. Upon receipt of such moneys, the state treasurer shall deposit the same in the state treasury and shall credit the appropriate portions of each such deposit to the Kansas educational building fund, to the state institutions building fund and to the correctional institutions building fund in accordance with the tax levies in effect under K.S.A. 76-6b01, 76-6b04 and 76-6b09 and amendments thereto for the period for which the taxes were collected.

Sec. 7. On January 1, 2004, and after publication in the Kansas register of the notice prescribed by section 15 of this act, K.S.A. 2002 Supp. 79-4521 is hereby amended to read as follows: 79-4521. (a) Beginning in 2001, and in each succeeding year, the director of taxation shall issue a certificate of eligibility for refund to each claimant who received a refund of property taxes under the homestead property tax refund act for the prior year. After the certificate has been completed by the claimant and the county clerk of the county in which the property is located, the claimant may present such certificate to the county treasurer in lieu of paying that portion of the first half of taxes on the claimant's homestead in the current year which equals the amount of the homestead property tax refund received by the claimant for taxes levied in the preceding year up to the amount of the first half of the property taxes due.

(b) Prior to presenting the certificate to the county treasurer the claimant shall sign the certificate, and shall also assign, in a space provided on the certificate, the refund to the county to pay the taxes on the claimant's homestead for the year in which such certificate is issued. The claimant shall then submit the certificate of eligibility to the county clerk for

review. The county clerk shall review the claim, based on proof of eligibility as prescribed in rules and regulations adopted by the secretary of revenue, to determine whether the claimant will be eligible for the refund. If the county clerk is satisfied the claimant will be eligible, the county clerk shall sign the certificate and return it to the claimant.

(c) The county treasurer shall send a copy of each certificate of eligibility to the director of taxation by December 31 of each year. After receiving a claim of any claimant who has obtained a certificate of eligibility under this section, the director shall examine the same, and if the claim is valid, the director of accounts and reports shall draw a warrant in favor of the county in which claimant's homestead is located upon a voucher approved by the director of taxation in the amount of the allowable claim for refund. Sufficient information to identify the claimant shall be directed to the county treasurer with each warrant. Any taxes levied in any year on the homestead of any claimant who has obtained the certificate of eligibility herein provided for in excess of the amount paid to the county by the state and by the claimant on or before December 20 of such year shall be paid by the claimant on or before ~~June 20~~ *May 10* of the succeeding year.

Sec. 8. On January 1, 2004, and after publication in the Kansas register of the notice prescribed by section 15 of this act, K.S.A. 79-2017 is hereby amended to read as follows: 79-2017. In Sedgwick, Johnson, Wyandotte and Shawnee counties, all taxes on personal property that remain due and unpaid on February 16 or ~~July~~ *June* 1 shall be collected in the following manner:

The county treasurer on or before March 25 shall send a notice by mail to the person, firm, unincorporated association, company or corporation to whom such taxes were assessed, and which remain unpaid on February 16 of any year, to its post office address as shown by the current tax roll.

The county treasurer on or before ~~July~~ *June* 27 shall send a notice by mail to the person, firm, unincorporated association, company or corporation to whom such taxes were assessed, and which remain unpaid on ~~July~~ *June* 1 of any year, to its post office address as shown by the current tax roll.

Failure to receive any such tax notice shall not relieve such person, firm, unincorporated association, company or corporation defaulting in payment of personal taxes from any interest and costs attached thereto. Such notice shall state the amount of personal tax charged against the party, and notify the party that the tax may be paid by paying the amount of the tax as assessed and interest the amount of which shall be computed in accordance with the provisions of K.S.A. 79-2004a, and amendments thereto, on the delinquent tax.

The county treasurer is hereby authorized to accept payment of delinquent taxes in full without payment of the interest due upon such delinquent taxes if the amount of the interest due is less than \$1 and is further authorized to accept as payment in full, any interest payment in an amount not less than \$1 less than the full amount of the interest due.

Should such taxes, due and unpaid on February 16 remain unpaid for a period of 25 days after the mailing of such notice, or taxes due and unpaid on ~~July~~ *June* 1 remain unpaid for a period of 14 days after the mailing of such notice, the county treasurer shall issue a warrant signed by the treasurer directed to the sheriff of the county, commanding the sheriff to levy the amount of such unpaid taxes and the amount of the interest thereon, together with the sheriff's fees for collecting the taxes, upon any personal property, tangible or intangible, of the person, firm, unincorporated association, company or corporation to whom such taxes were assessed.

To allow the time necessary for preparation of such warrants, the county treasurer shall not receive any payment of delinquent personal property taxes or interest thereon, due and unpaid on February 16, during a period beginning the 26th day after mailing of notices and extending through the last regular business day of April in any year or taxes or interest due and unpaid on ~~July~~ *June* 1, during a period beginning the 15th day after mailing of such notices and extending through the regular business day of ~~August~~ *July* 15 in any year. Such warrant shall be delivered to the sheriff by the county treasurer before the first regular business day in May and the 15th regular business day in ~~August~~ *July* in each year.

Upon receipt of such tax warrant, the sheriff shall proceed to collect such taxes the same as upon execution, except that where such taxes were levied and assessed pursuant to K.S.A. 79-329 through 79-334, and amendments thereto, they shall be collected as follows:

The sheriff shall cause notice to be given by registered mail to the purchaser of the oil and gas from such lease of the amount of such delinquent taxes and the name of the person against whom they were assessed and from and after the receipt of such notice such purchaser shall not pay to the person owing the taxes any of the proceeds of the sale of any oil or gas from such lease, but shall pay them to the sheriff until the full amount of such taxes and costs are paid after which the purchaser may resume the payments for such oil or gas to such person, but this exception shall not prevent the levy of an execution and sale of the leasehold interest or the physical personal property on any such lease for the payment of delinquent taxes owed by the owner thereof.

The sheriff, as soon as the sheriff collects the tax warrant, shall make a return thereof and shall make a return of all tax warrants delivered to the sheriff on or before October 1 of the year following the year in which the tax was levied. If the warrant so returned shows that the tax has been collected, the sheriff shall pay the tax to the county treasurer. If such return shows that such tax has not been collected, then the county treasurer shall file with the clerk of the district court of the treasurer's county an abstract of the total amount of unpaid taxes and interest due plus penalties and costs. The clerk shall enter the total amount of the unpaid taxes in the appearance docket and note the entry in the general index. No fee shall be charged for either such entry. The total amount shall become a judgment in the same manner and to the same extent as any other judgment under the code of civil procedure and shall become a lien on real estate from and after the time of the filing thereof. A transcript of the judgment may be filed with the clerk of the district court in any other county and when the judgment is entered in the manner provided above, the judgment shall become a lien upon real estate located in such county in the same manner as is provided in case of other judgments. No fee shall be made for making the entry. Execution, garnishment or other proceedings in aid of execution may issue within the county or to any other county on the judgment in the same manner as on judgments under the code of civil procedure except that any real estate taken upon execution for the collection of such taxes shall be sold without appraisalment. None of the exemptions provided for in the code of civil procedure shall apply to any such judgment but no such judgment secured for taxes on personal property shall be levied against a homestead.

At the time of filing the abstract of the taxes, interest, penalties and costs with the clerk of the district court, the county treasurer shall serve notice, in writing, on the county counselor of such filing. It shall be the duty of the county counselor to commence such proceedings as are necessary for the collection of such judgment. If execution is not issued within five years from the date of the entry of any such judgment, or if five years shall have intervened between the date of the last execution issued on such judgment and the time of issuing another writ of execution thereon, such judgment shall become dormant, and shall cease to operate as a lien on the real estate of the delinquent taxpayer. Such dormant judgment may be revived in like manner as dormant judgments under the code of civil procedure. Any such judgment remaining uncollected after 20 years may be allowed to become dormant if the county commissioners determine, after consideration of all relevant facts, that it is not reasonable to expect that such judgment will be collected. The board of county commissioners may allow such judgments to become dormant at any time if the original amount of the judgment was less than \$50.

Sec. 9. On January 1, 2004, and after publication in the Kansas register of the notice prescribed by section 15 of this act, K.S.A. 2002 Supp. 79-2101 is hereby amended to read as follows: 79-2101. Except as provided by K.S.A. 79-2017, and amendments thereto, all the taxes on personal property that remain due and unpaid on January 1 or ~~July~~ June 1 shall be collected in the following manner:

The county treasurer, on or before February 20, shall send a notice by mail to the person, firm, unincorporated association, company or corporation to whom such taxes were assessed, and which remain unpaid on

January 1 of any year, to its post office address as shown by the records in the office of the county treasurer. The county treasurer, on or before ~~July~~ *June* 10, shall send a notice by mail to the person, firm, unincorporated association, company or corporation to whom such taxes were assessed, and which remain unpaid on ~~July~~ *June* 1 of any year, to its post office address as shown by the records in the office of the county treasurer. Failure to receive any such notice shall not relieve such person, firm, unincorporated association, company or corporation defaulting in payment of personal taxes from any interest and costs attached thereto. Such notice shall state the amount of personal tax charged against the party, and notify the party that the tax may be paid by paying interest thereon from the date it became due and payable to date of payment computed under the provisions of K.S.A. 79-2004a, and amendments thereto.

If such taxes remain unpaid for a period of 14 days after mailing such notice, the county treasurer shall issue a warrant signed by the treasurer directed to the sheriff of the county, commanding the sheriff to levy the amount of such unpaid taxes and the interest thereon, together with the costs of executing the warrant and the sheriff's fees for collecting the same, upon any personal property, tangible or intangible, of the person, firm, unincorporated association, company or corporation to whom such taxes were assessed. Such warrant shall be delivered to the sheriff. Upon receipt of such tax warrant, the sheriff shall proceed to collect the taxes the same as upon execution, except that taxes levied and assessed pursuant to K.S.A. 79-329 through 79-334, and amendments thereto, shall be collected as follows:

The sheriff or county treasurer shall cause notice to be given by registered mail to the purchaser of the oil and gas from such lease of the amount of such delinquent taxes and the name of the person against whom they were assessed. From and after the receipt of such notice such purchaser shall not pay to the person owing the taxes or any of the proceeds of the sale of any oil or gas from such lease, but shall pay the proceeds to the sheriff until the full amount of such taxes and costs are paid after which the purchaser may resume the payments for such oil or gas to such person, but this exception shall not prevent the levy of an execution and sale of the leasehold interest or the physical personal property on any such lease for the payment of delinquent taxes owed by its owner. Tax warrants issued pursuant to K.S.A. 79-329 through 79-334, and amendments thereto shall not be required to be returned prior to 24 months after issuance.

The sheriff, as soon as collecting the tax warrant, shall make a return thereof and shall make a return of all tax warrants delivered to the sheriff on or before October 1 of the year following the year in which the tax was levied except as otherwise provided by the preceding paragraph. If the warrant so returned shows that the tax has been collected, the sheriff shall pay the tax to the county treasurer. If such return shows that such tax has not been collected, the county treasurer shall file with the clerk of the district court of the treasurer's county an abstract of the total amount of unpaid taxes and interest due plus penalties and costs of executing the warrant. The clerk shall enter the total amount in the appearance docket and note the entry in general index. No fee shall be charged for making the entry. The total amount shall become a judgment in the same manner and to the same extent as any other judgment under the code of civil procedure and shall become a lien on real estate from and after the time of the filing thereof. A transcript of the judgment may be filed with the clerk of the district court in any other county and when it is entered in the manner provided above it shall become a lien upon real estate located in such county in the same manner as is provided in case of other judgments, except that no fee shall be charged for making the entry. Execution, garnishment or other proceedings in aid of execution may issue within the county or to any other county on the judgment in the same manner as on judgments under the code of civil procedure except that any real estate taken upon execution for the collection of such taxes shall be sold without appraisal. None of the exemptions provided for in the code of civil procedure shall apply to any such judgment but no such judgment secured for taxes on personal property shall be levied against a homestead.

At the time of filing the abstract of the taxes, interest, penalties and

costs of executing the warrant with the clerk of the district court, the county treasurer shall serve notice, in writing, on the county attorney of such filing. It shall be the duty of the county attorney to commence such proceedings as are necessary for the collection of such judgment. If execution is not issued within five years from the date of the entry of any such judgment, or if five years shall have intervened between the date of the last execution issued on such judgment, and the time of issuing another writ of execution thereon, such judgment shall become dormant, and shall cease to operate as a lien on the real estate of the delinquent taxpayer. Such dormant judgment may be revived in like manner as dormant judgments under the code of civil procedure. Any such judgment remaining uncollected after 20 years may be allowed to become dormant if the county commissioners determine, after consideration of all relevant facts, that it is not reasonable to expect such judgment will be collected. The board of county commissioners may allow such judgment to become dormant at any time if the original amount of the judgment was less than \$50.

Sec. 10. On January 1, 2004, and after publication in the Kansas register of the notice prescribed by section 15 of this act, K.S.A. 79-5109 is hereby amended to read as follows: 79-5109. (a) All moneys received from taxes levied upon motor vehicles under the provisions of K.S.A. 79-5101 to 79-5115, inclusive, and amendments thereto shall be allocated to the tax levy unit in which the tax situs of each motor vehicle is located. The term "tax levy unit" means an area within a county the tangible property of which is subject to the same total tax levies, levied by the same taxing subdivisions of the state. Moneys allocated to such tax levy units shall be distributed among the state and all taxing subdivisions levying taxes against tangible property within such unit in the proportion prescribed by K.S.A. 79-5111 and amendments thereto for estimating the amounts thereof for budgeting.

(b) The county treasurer shall remit all moneys allocated and credited to the state from the proceeds of taxes levied upon motor vehicles to the state treasurer as provided in this subsection. The county treasurer, on or before October 31, January 20, March 20, ~~May 20, July 20~~ June 5 and September 20 of each year, shall distribute to the state treasurer all such taxes allocated and credited to the state from the proceeds of taxes collected through the month prior to the month of the distribution date. Upon receipt of such moneys, the state treasurer shall deposit the same in the state treasury and shall credit $\frac{2}{3}$ of each such deposit to the Kansas educational building fund and $\frac{1}{3}$ of each such deposit to the state institutions building fund except that for moneys received during the period from ~~July 1, 1990, to June 30, 1991~~ January 1, 2004, through December 31, 2004, inclusive, ~~$\frac{2}{3}$~~ 40% of each such deposit shall be credited to the Kansas educational building fund, ~~$\frac{1}{3}$~~ 20% of each such deposit shall be credited to the state institutions building fund and ~~$\frac{1}{3}$~~ 40% of each such deposit shall be credited to the ~~correctional institutions building~~ state general fund.

New Sec. 11. (a) There is hereby levied in the year 2003, a state tax of .6 mill upon all taxable tangible property in the state. Such tax levy shall be in addition to all other state tax levies authorized by law. Such tax levy shall be for the use and benefit of the state general fund.

(b) The county treasurer of each county shall make the proceeds of the tax levy provided for in this section available to the state treasurer immediately upon collection. When available the state treasurer shall withdraw from each county the proceeds of the taxes raised by such tax levy. Upon such withdrawal the state treasurer shall deposit the same in the state treasury.

(c) All moneys received by the state treasurer under this section shall be credited to the state general fund.

(d) The provisions of this section shall not take effect and no tax shall be levied under this section unless the notice prescribed by section 15 of this act has been published in the Kansas register on or before September 30, 2003. If the notice has been published as prescribed by section 15 of this act in the Kansas register on or before September 30, 2003, then the provisions of this section shall take effect and be in force from and after October 1, 2003.

Sec. 12. On October 1, 2003, and after publication in the Kansas

register of the notice prescribed by section 15 of this act, K.S.A. 76-6b01 is hereby amended to read as follows: 76-6b01. (a) There is hereby levied an annual permanent state tax upon all tangible property in this state which is subject to ad valorem taxation. The tax levy shall be ~~146~~.6 mill in the year ~~1983~~ 2003 and 1 mill in the year ~~1984~~ 2004 and each year thereafter until changed by statute. Such tax levy shall be in addition to all other state tax levies authorized by law. Such tax levy shall be for the use and benefit of the state institutions of higher education. The proceeds of such tax levy shall be apportioned in accordance with this act.

(b) The county treasurer of each county shall make the proceeds of the tax levy provided for in this section available to the state treasurer immediately upon collection. When available the state treasurer shall withdraw from each county the proceeds of the taxes raised by such tax levy. Upon such withdrawal the state treasurer shall deposit the same in the state treasury and shall credit the same as provided in K.S.A. 76-6b02.

Sec. 13. On October 1, 2003, and after publication in the Kansas register of the notice prescribed by section 15 of this act, K.S.A. 76-6b04 is hereby amended to read as follows: 76-6b04. (a) There is hereby levied an annual permanent state tax upon all tangible property in this state which is subject to ad valorem taxation. The tax levy shall be ~~25~~.3 mill in the year ~~1990~~ 2003 and .5 mill in the year ~~1991~~ 2004 and each year thereafter until changed by statute. The tax levy shall be in addition to all other state tax levies authorized by law. The tax levy shall be for the use and benefit of state institutions caring for persons who are mentally ill, retarded, visually handicapped, with a handicapping hearing loss or tubercular or state institutions caring for children who are deprived, wayward, miscreant, delinquent, children in need of care or juvenile offenders and who are in need of residential care or treatment, or institutions designed primarily to provide vocational rehabilitation for handicapped persons. As used in this section, "state institutions" shall include, but not be limited to, those institutions under the authority of the commissioner of juvenile justice. The proceeds of such tax levy shall be apportioned in accordance with this act.

(b) The county treasurer of each county shall make the proceeds of the tax levy provided for in this section available to the state treasurer immediately upon collection. When available, the state treasurer shall withdraw from each county the proceeds of the taxes raised by such tax levy. Upon such withdrawal the state treasurer shall deposit the same in the state treasury and shall credit the same as provided in K.S.A. 76-6b05 and amendments thereto.

Sec. 14. On October 1, 2003, and after publication in the Kansas register of the notice prescribed by section 15 of this act, K.S.A. 76-6b11 is hereby amended to read as follows: 76-6b11. (a) *Except as provided in subsection (e)*, on July 1 of each year, the director of accounts and reports shall record a debit to the state treasurer's receivables for the Kansas educational building fund, the state institutions building fund and the ~~correctional institutions building~~ *state general* fund and shall record a corresponding credit to each such fund in an amount equal to 95% of the amount credited respectively to each such fund during the immediately preceding fiscal year, except that such amount shall be proportionally adjusted with respect to any such fund in any fiscal year for any change in the tax levy rate for any such fund.

(b) All taxes received by the state treasurer under K.S.A. 76-6b01, 76-6b04 and ~~76-6b09~~ *section 15* and amendments thereto during the current fiscal year shall be deposited in the state treasury to the credit of the Kansas educational building fund, the state institutions building fund and the ~~correctional institutions building~~ *state general* fund, respectively, and shall reduce the amount debited and credited to such funds under subsection (a).

(c) On June 30 of each year, the director of accounts and reports shall adjust the amounts debited and credited to the state treasurer's receivables and to the Kansas educational building fund, the state institutions building fund and the ~~correctional institutions building~~ *state general* fund pursuant to this section, to reflect the taxes actually received by the state treasurer and deposited during the fiscal year in the state treasury to the credit of each such fund.

(d) The director of accounts and reports shall notify the state trea-

surer of all amounts debited and credited to the Kansas educational building fund, the state institutions building fund and the ~~correctional institutions building~~ *state general* fund pursuant to this section and all reductions and adjustments thereto made pursuant to this section. The state treasurer shall enter all such amounts debited and credited and shall make reductions and adjustments thereto on the books and records kept and maintained for such funds by the state treasurer in accordance with the notice thereof.

(e) *On October 1, 2003, the director of accounts and reports shall make such adjustments and amendments as may be required to reflect and account for the property tax imposed by section 11 as if such tax had been in effect on July 1, 2003.*

New Sec. 15. (a) On or after August 1, 2003, and before September 30, 2003, the governor shall consult with the director of the budget, the secretary of revenue, each legislative member of the state finance council and such other state and local government officers and advisors as the governor deems appropriate, and the governor shall then determine whether or not it is in the best interest of the state to implement the provisions of this act. In making such determination, the governor shall review and consider appropriate estimates of revenues to the state general fund and all other state funds, relevant economic data and projections, the information contained in the approved budget for state agencies for fiscal year 2004, and may consider such additional information and may apply analyses as the governor deems appropriate in making such determination and finding.

(b) After reviewing and considering such information and advice, if the governor determines and finds that it is in the best interest of the state to implement the provisions of this act, then the governor shall publish a notice in the Kansas register on or before September 30, 2003, that it is in the best interest of the state to implement the provisions of this act. Upon publication of such notice in the Kansas register, this act shall be effective to amend the statutes respectively amended in sections 1 through 10 and sections 12 through 14 as provided in such sections and to enact the state property tax levy for 2003 for the purposes of the state general fund as provided in section 11.

(c) As used in this section, “implement the provisions of this act” means amend the provisions of K.S.A. 12-1678a, as amended by section 1 of this act, 72-6431, as amended by section 2 of this act, 76-6b01, as amended by section 12 of this act, 76-6b04, as amended by section 13 of this act, 76-6b11, as amended by section 14 of this act, 79-2004, as amended by section 4 of this act, 79-2004a, as amended by section 5 of this act, 79-2017, as amended by section 8 of this act, 79-2201, as amended by section 6 of this act, and 79-5109, as amended by section 10 of this act, and K.S.A. 2002 Supp. 79-6a04, as amended by section 3 of this act, 79-2101, as amended by section 9 of this act, and 79-4521, as amended by section 7 of this act, and to provide for a state property tax levy for 2003 for the purposes of the state general fund as provided in section 11.

Sec. 16. On October 1, 2003, and after publication in the Kansas register of the notice prescribed by section 15 of this act, K.S.A. 76-6b01, 76-6b04, and 76-6b11 are hereby repealed.

Sec. 17. On January 1, 2004, and after publication in the Kansas register of the notice prescribed by section 15 of this act, K.S.A. 12-1678a, 72-6431, 79-2004, 79-2004a, 79-2017, 79-2201 and 79-5109 and K.S.A. 2002 Supp. 79-6a04, 79-2101 and 79-4521 are hereby repealed.

Sec. 18. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the HOUSE, and passed that body

HOUSE adopted
Conference Committee Report _____

Speaker of the House.

Chief Clerk of the House.

Passed the SENATE
as amended _____

SENATE adopted
Conference Committee Report _____

President of the Senate.

Secretary of the Senate.

APPROVED _____

Governor.