

House Concurrent Resolution No. 5032

By Representatives Tafanelli, Wilk, Ballou, Beggs, Boyer, Burgess, Dahl, DeCastro, Faber, Goering, Goico, Gordon, Hayzlett, Howell, Huebert, Huff, Humerickhouse, Hutchins, Landwehr, Long-Mast, Mays, McCreary, McLeland, Merrick, Newton, Novascone, Osborne, Ostmeyer, Patterson, Powell, Schwab, Siegfried, Vickrey and D. Williams

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A PROPOSITION to amend section 1 of article 11 of the constitution of the state of Kansas.

Be it resolved by the Legislature of the State of Kansas, two-thirds of the members elected (or appointed) and qualified to the House of Representatives and two-thirds of the members elected (or appointed) and qualified to the Senate concurring therein:

Section 1. The following proposition to amend the constitution of the state of Kansas shall be submitted to the qualified electors of the state for their approval or rejection: Section 1 of article 11 of the constitution of the state of Kansas is hereby amended to read as follows:

“§ 1. System of taxation; classification; exemption. (a) The provisions of this subsection shall govern the assessment and taxation of property on and after January 1, 1993, and each year thereafter. Except as otherwise hereinafter specifically provided, the legislature shall provide for a uniform and equal basis of valuation and rate of taxation of all property subject to taxation. *Effective January 1, 2005, the legislature shall provide by law to prohibit valuation increases on single-family residential real property with a valuation of less than \$250,000 which is owned by and the principal place of residence of Kansas residents who are 65 years of age or older as of January 1 of the tax year. The legislature may provide by law for subsequent adjustments in the age and the valuation requirements and enact such other legislation as is necessary to administer this provision.* The legislature may provide for the classification and the taxation uniformly as to class of recreational vehicles, as defined by the legislature, or may exempt such class from property taxation and impose taxes upon another basis in lieu thereof. The provisions of this subsection shall not be applicable to the taxation of motor vehicles, except as otherwise hereinafter specifically provided, mineral products, money, mortgages, notes and other evidence of debt and grain. Property shall be classified

1 into the following classes for the purpose of assessment and assessed
2 at the percentage of value prescribed therefor:

3 Class 1 shall consist of real property. Real property shall be further
4 classified into seven subclasses. Such property shall be defined by law for
5 the purpose of subclassification and assessed uniformly as to subclass at
6 the following percentages of value:

- 7 (1) Real property used for residential purposes including multi-family
8 residential real property and real property necessary to accommo-
9 date a residential community of mobile or manufactured homes in-
10 cluding the real property upon which such homes are located 11½%
- 11 (2) Land devoted to agricultural use which shall be valued upon the
12 basis of its agricultural income or agricultural productivity pursuant
13 to section 12 of article 11 of the constitution..... 30%
- 14 (3) Vacant lots 12%
- 15 (4) Real property which is owned and operated by a not-for-profit or-
16 ganization not subject to federal income taxation pursuant to section
17 501 of the federal internal revenue code, and which is included in
18 this subclass by law..... 12%
- 19 (5) Public utility real property, except railroad real property which shall
20 be assessed at the average rate that all other commercial and indus-
21 trial property is assessed 33%
- 22 (6) Real property used for commercial and industrial purposes and
23 buildings and other improvements located upon land devoted to ag-
24 ricultural use..... 25%
- 25 (7) All other urban and rural real property not otherwise specifically
26 subclassified 30%

27 Class 2 shall consist of tangible personal property. Such tangible per-
28 sonal property shall be further classified into six subclasses, shall be de-
29 fined by law for the purpose of subclassification and assessed uniformly
30 as to subclass at the following percentages of value:

- 31 (1) Mobile homes used for residential purposes..... 11½%
- 32 (2) Mineral leasehold interests except oil leasehold interests the average
33 daily production from which is five barrels or less, and natural gas
34 leasehold interests the average daily production from which is 100
35 mcf or less, which shall be assessed at 25% 30%
- 36 (3) Public utility tangible personal property including inventories
37 thereof, except railroad personal property including inventories
38 thereof, which shall be assessed at the average rate all other com-
39 mercial and industrial property is assessed 33%
- 40 (4) All categories of motor vehicles not defined and specifically valued
41 and taxed pursuant to law enacted prior to January 1, 1985..... 30%

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- 1 (5) Commercial and industrial machinery and equipment which, if its
- 2 economic life is seven years or more, shall be valued at its retail cost
- 3 when new less seven-year straight-line depreciation, or which, if its
- 4 economic life is less than seven years, shall be valued at its retail cost
- 5 when new less straight-line depreciation over its economic life, ex-
- 6 cept that, the value so obtained for such property, notwithstanding
- 7 its economic life and as long as such property is being used, shall
- 8 not be less than 20% of the retail cost when new of such
- 9 property..... 25%
- 10 (6) All other tangible personal property not otherwise specifically
- 11 classified 30%

12 (b) All property used exclusively for state, county, municipal, literary,
 13 educational, scientific, religious, benevolent and charitable purposes,
 14 farm machinery and equipment, merchants' and manufacturers' inven-
 15 tories, other than public utility inventories included in subclass (3) of class
 16 2, livestock, and all household goods and personal effects not used for
 17 the production of income, shall be exempted from property taxation.

18 Sec. 2. The following statement shall be printed on the ballot with
 19 the amendment as a whole:

20 “*Explanatory statement.* This amendment would require the legis-
 21 lature to prohibit valuation increases of single-family residential
 22 real property with a valuation of less than \$250,000 which is
 23 owned by and the principal place of residence of Kansas resi-
 24 dents who are 65 years of age or older. The legislature may pro-
 25 vide for subsequent adjustments in the age and valuation
 26 requirements and other legislation to administer this provision.

27 “A vote for this proposition would require the legislature to prohibit
 28 valuation increases of single-family residential real property with
 29 a valuation of less than \$250,000 which is owned by and the
 30 principal place of residence of Kansas residents who are 65 years
 31 of age or older and allow the legislature to make subsequent
 32 adjustments in the age and valuation requirements and enact
 33 other legislation as necessary to administer this provision.

34 “A vote against this proposition would maintain the current system
 35 of property taxation which provides no such prohibition.”

36 Sec. 3. This resolution, if approved by two-thirds of the members
 37 elected (or appointed) and qualified to the House of Representatives, and
 38 two-thirds of the members elected (or appointed) and qualified to the
 39 Senate shall be entered on the journals, together with the yeas and nays.
 40 The secretary of state shall cause this resolution to be published as pro-
 41 vided by law and shall cause the proposed amendment to be submitted
 42 to the electors of the state at the general election to be held on November
 43 2, 2004.