

House Concurrent Resolution No. 5015

By Committee on Federal and State Affairs

2-12

9 A PROPOSITION to amend section 1 of article 11 of the constitution of
10 the state of Kansas, relating to the classification and taxation of
11 watercraft.

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13 *Be it resolved by the Legislature of the State of Kansas, two-thirds of the*
14 *members elected (or appointed) and qualified to the House of Repre-*
15 *sentatives and two-thirds of the members elected (or appointed) and*
16 *qualified to the Senate concurring therein:*

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

21 “§ 1. **System of taxation; classification; exemption.** (a) The
22 provisions of this subsection shall govern the assessment and taxa-
23 tion of property on and after January 1, ~~1993~~ 2009, and each year
24 thereafter. Except as otherwise hereinafter specifically provided,
25 the legislature shall provide for a uniform and equal basis of valu-
26 ation and rate of taxation of all property subject to taxation. The
27 legislature may provide for the classification and the taxation uni-
28 formly as to class of recreational vehicles *and watercraft*, as defined
29 by the legislature, or may exempt such class from property taxation
30 and impose taxes upon another basis in lieu thereof. The provisions
31 of this subsection shall not be applicable to the taxation of motor
32 vehicles, except as otherwise hereinafter specifically provided, min-
33 eral products, money, mortgages, notes and other evidence of debt
34 and grain. Property shall be classified into the following classes for
35 the purpose of assessment and assessed at the percentage of value
36 prescribed therefor:

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

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1	(1) Real property used for residential purposes including multi-family	
2	residential real property and real property necessary to accommodate	
3	a residential community of mobile or manufactured homes including	
4	the real property upon which such homes are located.....	11 ½%
5	(2) Land devoted to agricultural use which shall be valued upon the	
6	basis of its agricultural income or agricultural productivity pursuant	
7	to section 12 of article 11 of the constitution.....	30%
8	(3) Vacant lots	12%
9	(4) Real property which is owned and operated by a not-for-profit or-	
10	ganization not subject to federal income taxation pursuant to section	
11	501 of the federal internal revenue code, and which is included in this	
12	subclass by law	12%
13	(5) Public utility real property, except railroad real property which shall	
14	be assessed at the average rate that all other commercial and industrial	
15	property is assessed	33%
16	(6) Real property used for commercial and industrial purposes and	
17	buildings and other improvements located upon land devoted to ag-	
18	ricultural use	25%
19	(7) All other urban and rural real property not otherwise specifically	
20	subclassified	30%
21	Class 2 shall consist of tangible personal property. Such tangible per-	
22	sonal property shall be further classified into six subclasses, shall be de-	
23	defined by law for the purpose of subclassification and assessed uniformly	
24	as to subclass at the following percentages of value:	
25	(1) Mobile homes used for residential purposes.....	11 ½%
26	(2) Mineral leasehold interests except oil leasehold interests the average	
27	daily production from which is five barrels or less, and natural gas	
28	leasehold interests the average daily production from which is 100	
29	mcf or less, which shall be assessed at 25%	30%
30	(3) Public utility tangible personal property including inventories	
31	thereof, except railroad personal property including inventories	
32	thereof, which shall be assessed at the average rate all other com-	
33	mercial and industrial property is assessed	33%
34	(4) All categories of motor vehicles not defined and specifically valued	
35	and taxed pursuant to law enacted prior to January 1, 1985.....	30%
36	(5) Commercial and industrial machinery and equipment which, if its	
37	economic life is seven years or more, shall be valued at its retail cost	
38	when new less seven-year straight-line depreciation, or which, if its	
39	economic life is less than seven years, shall be valued at its retail cost	
40	when new less straight-line depreciation over its economic life, except	
41	that, the value so obtained for such property, notwithstanding its ec-	
42	onomic life and as long as such property is being used, shall not be	
43	less than 20% of the retail cost when new of such property.....	25%

1 (6) All other tangible personal property not otherwise specifically
 2 classified 30%

3 (b) All property used exclusively for state, county, municipal, literary,
 4 educational, scientific, religious, benevolent and charitable purposes,
 5 farm machinery and equipment, merchants' and manufacturers' inven-
 6 tories, other than public utility inventories included in subclass (3) of class
 7 2, livestock, and all household goods and personal effects not used for
 8 the production of income, shall be exempted from property taxation."

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

11 "Explanatory statement. This amendment would allow the leg-
 12 islature to classify and tax watercraft upon a basis different from
 13 other property.

14 "A vote for this proposition would permit the legislature to pro-
 15 vide for separate classification and taxation of watercraft and to ex-
 16 empt such property from property taxation and impose taxes in lieu
 17 thereof.

18 "A vote against this proposition would continue the taxation of
 19 watercraft in the same manner as all other property."

20 Sec. 3. This resolution, if approved by two-thirds of the members
 21 elected (or appointed) and qualified to the House of Representatives, and
 22 two-thirds of the members elected (or appointed) and qualified to the
 23 Senate, shall be entered on the journals, together with the yeas and nays.
 24 The secretary of state shall cause this resolution to be published as pro-
 25 vided by law and shall cause the proposed amendment to be submitted
 26 to the electors of the state at the general election to be held on the first
 27 Tuesday after the first Monday in November 2008.