

Senate Concurrent Resolution No. 1602

By Senators Apple, Bruce, Brownlee, Donovan, Huelskamp, Jordan, Journey, Lynn, McGinn, Ostmeyer, Palmer, Petersen, Pine, Pyle, Reitz, Schodorf, Taddiken, Umbarger, Wilson and Wysong

1-19

12 A PROPOSITION to amend section 1 of article 11 of the constitution
13 of the state of Kansas, relating to property taxation.

14

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

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

23 “§ 1. **System of taxation; classification; exemption**(a) The provi-
24 sions of this subsection shall govern the assessment and taxation of prop-
25 erty on and after January 1, 1993, and each year thereafter. Except as
26 otherwise hereinafter specifically provided, the legislature shall provide
27 for a uniform and equal basis of valuation and rate of taxation of all prop-
28 erty subject to taxation. ~~The legislature shall~~ **may** provide by law to ~~pro-~~
29 ~~hibit~~ **limit** valuation increases on single-family residential real property
30 which is owned by and the principal place of residence of a Kansas resi-
31 dent who is 65 years of age or older as of January 1 of the tax year, and
32 the legislature may enact legislation to limit application of this provision
33 and enact such other legislation as is necessary to administer this provi-
34 sion. The legislature may provide for the classification and the taxation
35 uniformly as to class of recreational vehicles, as defined by the legislature,
36 or may exempt such class from property taxation and impose taxes upon
37 another basis in lieu thereof. The provisions of this subsection shall not
38 be applicable to the taxation of motor vehicles, except as otherwise here-
39 inafter specifically provided, mineral products, money, mortgages, notes
40 and other evidence of debt and grain. Property shall be classified into the
41 following classes for the purpose of assessment and assessed at the per-
42 centage of value prescribed therefor:

43 Class 1 shall consist of real property. Real property shall be further

1 classified into seven subclasses. Such property shall be defined by law for
 2 the purpose of subclassification and assessed uniformly as to subclass at
 3 the following percentages of value:

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

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

- | | | | |
|----|-----|--|------|
| 29 | (1) | Mobile homes used for residential purposes | 11½% |
| 30 | (2) | Mineral leasehold interests except oil leasehold interests the av- | |
| 31 | | erage daily production from which is five barrels or less, and nat- | |
| 32 | | ural gas leasehold interests the average daily production from | |
| 33 | | which is 100 mcf or less, which shall be assessed at 25%..... | 30% |
| 34 | (3) | Public utility tangible personal property including inventories | |
| 35 | | thereof, except railroad personal property including inventories | |
| 36 | | thereof, which shall be assessed at the average rate all other com- | |
| 37 | | mmercial and industrial property is assessed | 33% |
| 38 | (4) | All categories of motor vehicles not defined and specifically valued | |
| 39 | | and taxed pursuant to law enacted prior to January 1, 1985..... | 30% |

- 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
- 3 cost when new less seven-year straight-line depreciation, or which,
- 4 if its economic life is less than seven years, shall be valued at its
- 5 retail cost when new less straight-line depreciation over its eco-
- 6 nomic life, except that, the value so obtained for such property,
- 7 notwithstanding its economic life and as long as such property is
- 8 being used, shall not be less than 20% of the retail cost when new
- 9 of such 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~~ **authorize** the

21 legislature to ~~prohibit~~ **limit** valuation increases of single-family resi-

22 dential real property which is owned by and the principal place of

23 residence of a Kansas resident who is 65 years of age or older in certain

24 circumstances.

25 "A vote for this proposition would ~~require~~ **authorize** the legislature to

26 ~~prohibit~~ **limit** valuation increases of single-family residential real prop-

27 erty which is owned by and the principal place of residence of a Kansas

28 resident who is 65 years of age or older. The amendment would also

29 allow the legislature to enact legislation to limit application of this

30 provision and enact other legislation as necessary to administer this

31 provision.

32 "A vote against this proposition would maintain the current system of

33 property taxation which provides no such ~~prohibition~~ **authorization**

34 **to limit such valuation increases.**"

35 Sec. 3. This resolution, if approved by two-thirds of the members

36 elected (or appointed) and qualified to the Senate, and two-thirds of the

37 members elected (or appointed) and qualified to the House of Repre-

38 sentatives shall be entered on the journals, together with the yeas and

39 nays. The secretary of state shall cause this resolution to be published as

40 provided by law and shall cause the proposed amendment to be submitted

41 to the electors of the state at the general election to be held on the first

42 Tuesday after the first Monday in November, 2008 unless a special elec-

43 tion is called at a sooner date by concurrent resolution of the legislature,

1 in which case it shall be submitted to the electors of the state at the special
2 election.