

Approved: November 23, 1993
Date

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION.

The meeting was called to order by Chairperson Audrey Langworthy at 9:07 a.m. on September 30, 1993 in Room 519-S of the Capitol.

Members present: Senator Langworthy, Senator Tiahrt, Senator Martin, Senator Bond, Senator Corbin, Senator Feleciano Jr., Senator Hardenburger, Senator Lee, Senator Reynolds, Senator Sallee

Committee staff present: Tom Severn, Legislative Research Department
Chris Courtwright, Legislative Research Department
Bill Edds, Revisor of Statutes
Don Hayward, Revisor of Statutes
Elizabeth Carlson, Committee Secretary

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Conferees appearing before the committee: Allan Foster, Post Audit Staff
David Cunningham, Director of Property Valuation
Ben Neill, Counsel, Kansas County Appraisers Association
Jack Shriver, Chairman, Board of Tax Appeals
Chris McKenzie, League of Kansas Municipalities
John Torbert, Kansas Association of Counties
Bill Ervin, Municipal Accounting
Chris Courtwright, Legislative Research Department
Ron Smith, Kansas Bar Association

Others attending: See attached list

Report of Legislative Post Audit Study of Kansas Appraisal System

Allan Foster, Post Audit Staff, reported on the post audit study of the Kansas Appraisal System. Mr. Foster passed a copy of the Performance Audit Report to the Committee. This copy is on file with the Secretary of the Committee. Mr. Foster said the requirement of the appraisal was to appraise all property in Kansas uniformly and equally and it is the responsibility of the state and county appraisers to do so. The courts have ordered the state to submit a plan to fulfill this responsibility. Mr. Foster listed some of the problems of the appraisal system as:

1. Insufficient education, training and experience of the officials and staff at the state and local levels
2. The appraisal computer system is not as useful as it should be
3. Weaknesses in the way the state measures counties' compliance with appraisal laws
4. Some laws and property valuation guidelines allow some properties to be valued below fair market values
5. The appraisal system has some burdensome requirements that could cause inefficient use of staff and detract from the time they have available to perform appraisal functions.

He stated that the post audit study has concerns whether the Property Valuation Division will be able to accomplish the many tasks set out by the court documents. (Attachment 1)

David Cunningham, Director of Property Valuation, responded to the report made by Post Audit. The Division has made plans on how to comply with the recommendations made. (Attachment 2) The members of the committee had questions for Mr. Cunningham regarding the ratio study, if the criteria required by the court in 1998 would be met and the cost of the ratio study.

Proposal for a Two Year Appraisal Cycle (1993 SB 223)

Ben Neill, Counsel, Counties and District Appraisers, spoke on some of the problems which are faced by the

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appraisers. He had questions concerning the qualifications of the members of the Board of Tax Appeals. He said all tax appeals go to BOTA. He suggested an option of going to the district courts instead. He said since 1983 BOTA has been a "court of appeals" and sit as a triers of fact. There was discussion of the agricultural use of land versus commercial use, vacant lots and a discounted cash flow. He said this is a policy issue. He also stated in the ratio study there are inconsistencies from one staff member of the Division of Property Valuation to another. He recommended the use of the IAAO standards which he thought would solve a number of problems.

Larry Clark, Kansas County Appraisers Association, spoke on proposed changes in the statutes and regulations for appraisers. (Attachment 3) He felt there are many problems with the proposal for a two year appraisal cycle and states the Kansas County Appraisers Association has backed off from the proposal. He presented proposed changes to 1993 SB 223. (Attachment 4)

David Cunningham, Director of Property Valuation, responded to the remarks made by Mr. Neill and Mr. Clark. He said the suggestions to SB 223 as presented by Mr. Clark are good and stated he was supportive of the requests by the Kansas County Appraisers Association. He did say, however, SB 223 is good but it needs to be modified.

Briefing on Status of Appraisal and Appeals Issues

David Cunningham, Director of Property Valuation, answered questions from the committee regarding the ratio study. He said 19 counties have appealed the ratio study. The Division will be called back to report to the judge from time to time. The Division is in the final stages of having the plan and framework so that the judge's requirements will be met.

Mr. Cunningham was requested by the committee to outline on paper the Divisions plan for compliance with the courts requirements.

AFTERNOON SESSION

Senator Langworthy called the meeting to order at 1:38 p.m.

Status of Appeals and Board of Tax Appeals Issues

Jack Shriver, Chairman, Board of Tax Appeals, opened his remarks with a report on appeals before BOTA. He said there were 19,721 appeals during FY 93 and 10,231 of the appeals are still open. (Attachment 5) He reviewed this chart for the committee.

Mr. Shriver also presented a memo written to the Division of the Budget regarding funding for BOTA. He said BOTA will continue to follow the law as BOTA reads it. In his memo to the Budget Division, he was requesting additional funding for the education of the members of the Board. (Attachment 6) There was a discussion of the requirements for appointment to BOTA such as residing in congressional districts and political affiliation. He was asked if he had thought about specific recommendations to the legislature regarding the qualifications and he said he had not, but he would be happy to do so. He was also asked about courses which have been taken by the members of the Board.

In regard to the sales ratio study and stipulated cases, the Board has held that all sales must be included in a county's ratio study. (Attachment 7) He also said the law is very specific, BOTA does have authority to turn down stipulations entered into between a county and a taxpayer.

Tax Lid and Fund Levy Limits

Chris McKenzie, League of Kansas Municipalities, spoke from a prepared text. (Attachment 8). He said the League opposes tax limitations on cities and that the now antiquated fund levy rate limit statutes present some very dangerous problems to the cities. He encouraged a return to the use of multiple funds. He also mentioned the special case of library board levies and he said they are working with the Library Association to find a solution to the eliminating of the fund levy rate limitations contained in current law.

John Torbert, Kansas Association of Counties, stated they support legislation that would repeal the individual fund levy limits now in place in statute. (Attachment 9) He said this fund levy limit is a step backward. These statutes, instead of being repealed, have just been suspended. When an actual bill has been drafted implementing this idea, he strongly urged the committee's support for the legislation.

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Bill Ervin, Municipal Accounting, discussed the tax lid and the proposal to eliminate the fund levy limits. He believed the tax lid law has been effective in limiting taxes levied by municipalities and the suspension of the law has created few problems. He spoke of the effect of reverting to statutory fund levy rate limits. (Attachment 10) He said from an accounting standpoint, he supports legislation as proposed by the League of Kansas Municipalities and the Kansas Association of Counties to allow expanded use of the general fund and elimination of the statutory fund levy rate limits for cities and counties. He recommended eliminating the limits in KSA 79-1946 through KSA 79-1953 as a first step in simplifying municipal accounting and budgeting systems.

Staff was requested to draft a bill to eliminate these statutes for the committee to review at the next meeting, November 22 and 23, 1993.

Preliminary 1992 Appraisal Data - Staff

Chris Courtwright, Legislative Research, presented the 1993 Preliminary Assessed Valuation by County and by Class of Property. This book may be reviewed in the office of the Committee Secretary. He also reviewed for the committee several charts on the assessed valuations. (Attachment 11, 12, 13, and 14)

Bill Requests

Ron Smith, Kansas Bar Association, appeared before the committee to request a bill be drafted to amend the Inheritance Tax act. (Attachment 15)

Senator Bond made a motion that a bill be drafted and introduced as a committee bill to amend the Inheritance Tax Act. The motion was seconded by Senator Martin. The motion carried.

There was discussion by the committee of changes made in the bill regarding 501-c's by the House Taxation Committee and the consensus of the the Senate Assessment and Taxation Committee was that all bills so changed should come back before the Senate Committee and should not go directly to a conference committee.

The meeting adjourned at 3:55 p.m.

The next meeting is scheduled for October 1, 1993.

GUEST LIST
SENATE ASSESSMENT AND TAXATION COMMITTEE

DATE: Sept 30, 1993

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
ALLAN Foster	Topeka	Legislative Post Audit
Kirby L. Stegman	Topeka	K DOR
Brie Tamm	Wichita	Boeing
HAROLD C. PITS	Topeka	AARP-CCTF
Alan Steppat	Topeka	Pete McMillan Assoc.
BEV BRADLEY	TOPEKA	KS Assoc of Counties
Janet Stubbs	"	Stubbs & Assoc.
Jerry Clark	Kansas City	KCAA
Paul Welton	Olathe	Jo Co Appraiser's Office
Mark Low	Meade	Meade Co App
WALT DARLING	TOPEKA	Ks. Div. of BUDGET
Gordon T. Janett	Topeka	Commercial Prop Assoc.
Glenn Fisher	Wichita	W S U
W. Martin	Wichita	Sidgwick Co.
Robin Nichols	Wichita	Wichita Public Schools
Lene Baggan	Emporia	Lyon Co. Appraiser
Doreen Smith	Topeka	Ks. Assoc. of Counties
BEN NEILL	Overland Park, K	KCAA
Terry Ferguson	Concordia	David County
Lenora Tenell	Overland Park	KCAA
Bucky Sanders	Overland Park	BOTA

GUEST LIST (continued)

DATE: _____

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Conclusion

The problems with property valuation in Kansas did not develop suddenly and will not be resolved in a short period of time. The problems that State and county officials pointed out to us--such as poorly trained or qualified staff, an inadequate computer system, and a lack of good information to do appraisal work--appear to indicate the appraisal system has not been equipped with the resources necessary to accomplish the goal of uniform and equal property appraisal across the State.

If the Division can accomplish all that it has set out to do in the plan submitted to the District Court, it will make significant strides in addressing many of the problems with property appraisal in Kansas. However, we have some concerns about whether the Division will be able to accomplish the many tasks outlined in the court documents.

A number of issues relating to property valuation were not addressed in the Court plan. To improve property appraisal, the Division will have to address issues like fostering a cooperative attitude between the State and counties, establishing specific training requirements for its staff, reviewing statistical methods used to measure compliance, and eliminating procedures which allow non-uniform or unequal property appraisal.

Senate Assessment + Taxation

September 30, 1993

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STATE OF KANSAS

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Department of Revenue
Division of Property Valuation

MEMORANDUM

To: Senator Audry Langworthy
Chair, Senate Assessment and
Taxation Committee

From: David C. Cunningham, Director,
Division of Property Valuation

Date: September 30, 1993

Subject: Legislative Post Audit Report Regarding the Division of
Property Valuation

Initially, I would tell the committee that the audit team members were extremely professional and made every attempt to schedule their interviews so as to cause the least disruption possible. Furthermore, I appreciated their willingness to ask questions until they understood what at times is a very complicated subject. Finally, I appreciate the time taken to craft a report that helps set forth solutions to a myriad of actual and perceived problems.

The audit performed by the Legislative Post Auditor made nine (9) recommendations to the Division of Property Valuation. Each recommendation will be carefully considered and every effort will be made to implement those that will enhance the appraisal process. I believe it would be appropriate to respond to each of these recommendations individually.

The portions in italics have been added to up-date this memorandum, which was presented to the Legislative Post Audit Committee on June 7, 1993, with the current status of Division actions in response to the recommendations.

RECOMMENDATION

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+ Taxation*

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1. To ensure that county appraisal staff possess adequate knowledge to conduct property appraisal on a uniform and equal basis, the Division of Property Valuation should remove grandfather clauses from the education and training requirements it has established for county staff.

RESPONSE

The Division certainly agrees that adequate education is essential to the appraisal process at both the state and local level. However, to suggest that existing county personnel be required to meet new experience or educational levels that were not in place when they were employed is not appropriate. To the extent that the Division establishes a county employee is not qualified to perform appraisal functions, then additional education and training can be mandated.

RECOMMENDATION

2. To ensure that training courses are as accessible to the counties as possible, the Division should review the schedule, location, and cost of its training courses to be certain that course schedules do not conflict with peak workload periods for county staff, that courses are generally offered in all areas of the State, and that the cost is kept as low as possible.

RESPONSE

The Division is sensitive to the peak workloads of county appraisal staff. Every attempt is made to schedule courses within time frames that coincide with the non-peak time of the appraisal cycle. In the 1993 education calendar year, scheduling was not so flexible. Special funding made available by the Kansas Legislature was to expire on July 1, 1993. Therefore, as many courses as possible were scheduled before July 1, 1993, to enable the counties to take advantage of this opportunity. This funding also enabled the Division to waive tuition for county appraisal staff. The cost to the county was therefore minimal (lodging, transportation, per diem). The standard fee for 1-2 day Division workshop is \$40. The standard fee for a 3-5 day course is \$60. The Division believes these costs are minimal when compared to other courses of instruction. The difficulty is that many counties budget little to no money for education. In 1993, courses are scheduled to be held in 15 different cities/towns across Kansas. Given staffing limitations and lack of adequate, low cost facilities, the Division cannot schedule courses in some locations.

Each county appraiser was sent a survey on June 7, 1993 soliciting suggestions for course topics and months of the year most convenient for the county appraisers and their staff to attend courses. Twenty-seven counties responded. Of those responding, the consensus was that, due to the appraisal cycle and resulting workload, no courses should be scheduled before May 1 or after November 1. As a result, the 1994 course year will begin on May 1 and end on November 1. A few exceptions will be necessary in order to provide appraisers with courses that correspond with the work they are performing during the appraisal cycle.

The cost of training will be reduced by one-half in calendar year 1994. The fee for a 2 - 5 day course will be \$30.00 and the fee for a 1 - 2 day seminar will be \$20.00.

A survey is being prepared to solicit suggestions from appraisers regarding locations in their counties that are low cost and adequate for conducting educational programs. The Division will continue to make every effort to schedule courses in locations convenient to all county appraisers. Most facilities charge a usage fee of \$50.00 to \$200.00 per day if a minimum number of 10 sleeping rooms are not booked. A total of \$160 has been allocated for meeting room rental in FY 94; therefore, classes must be scheduled where there is sufficient attendance. Additionally, it is difficult to find adequate, low cost facilities in many rural locations.

RECOMMENDATION

3. To ensure that all members of its own staff are properly trained and possess the knowledge needed to provide technical assistance to the counties, the Division of Property Valuation should develop continuing education requirements for its staff, require that a minimum number of training hours be completed each year, and budget adequate funding and time to allow staff to meet those requirements.

RESPONSE

The Division agrees with this recommendation. The Division is exploring cost effective ways to improve staff education.

Division staff are enrolled in any current courses where scheduling permits and space is available.

A two week refresher course is being developed by the education department and senior division staff and all appraisal staff will be required to attend. The course will be offered this fall and will cover major course topics from all Division courses.

Money has been budgeted in FY 94 and FY 95 to send each appraiser to one advanced course of training offered by the IAAO, the Appraisal Institute, or a college/university.

Transcripts of all appraisal staff have been reviewed. Course assignments will be made based on job duties and individual job performance. Staff will be enrolled in Division courses which relate to the area in which they are assigned to work.

An additional week of in-service training has been scheduled for all appraisal staff next July.

RECOMMENDATION

4. To ensure that its test of the Computer Assisted Mass Appraisal (CAMA) System was valid, the Division should test the accuracy of the Ellis County data and models it used in the test.

RESPONSE

The Division does not believe it is necessary to test the accuracy of the Ellis County data. While it is correct that an audit would probably indicate there are errors in the Ellis County data, the Division does not believe they would be significant enough to change the results.

The Division is still of the opinion there is no need to perform the suggested audit to validate the functionality of the CAMA system. The County Appraiser's CAMA Committee has completed a review of the Director's CAMA Committee report and filed recommendations for specific enhancements.

RECOMMENDATION

5. To ensure that property is appraised and taxed on a uniform and equal basis Statewide; the Division of Property Valuation should do the following:
 - a. Stop allowing county appraisers to offer discounts to property developers that are not available to other taxpayers.
 - b. Review all Division directives to determine if any appear to allow practices that could be contrary to the intent of providing uniform and equal property valuation, and rescind any such directives.
 - c. Review the statutes governing the appraisal of property in Kansas and provide the 1994 Legislature with a list of those statutes that contain loopholes or need to be changed to ensure that all taxpayers are treated equally.

RESPONSE

- a. The Division has authorized the use of developers' discounts if calculated correctly when a county appraiser believes it is appropriate. The Division does not mandate the use of these discounts. It is agreed that there will be different values for similar lots and it has been approved by the Board of Tax Appeals.
- b. The Division will continually review directives to ensure they are current and that they reflect appropriate appraisal theory and practice.
- c. The Division annually reviews appraisal laws to make recommendations for change that will improve the process.
- a. *The county appraiser must exercise proper judgment in this area. Notwithstanding the obvious differences in value between a developer's lot and a homeowner's lot, if properly applied all like property owners are uniformly*

valued. If deemed appropriate, legislation can be considered to disallow this approach.

- b. Done.*
- c. Currently being done.*

RECOMMENDATION

- 6. To help ensure that counties have the information they need to develop good appraisal models and perform their appraisal work, the Division should do the following:
 - a. Take an active role in helping the counties to set up appropriate systems for sharing information on a regional basis.
 - b. Explore using the Director's authority under K.S.A. 79-1404 to obtain the necessary income and expense information needed to value commercial properties, or petition the Legislature to pass legislation requiring income and expense information to be provided to the county appraisers.

RESPONSE

- a. The Division's plan includes as a priority the regionalization of information and resources. The Division has available and will develop new statewide databases to assist county appraisers in the valuation process.
- b. The Division will explore the possibility of assisting counties in the acquisition of income and expense information. If this approach is not feasible, legislation may be needed to gather the necessary data.
- a. *The Division continues to work on the commercial/industrial sales data base. Additionally, pursuant to the Court Order, Division staff have been assigned to develop and/or monitor the development of statewide cost indices and capitalization rate studies to assist counties in valuing commercial properties. In the FY 95 Level C budget there is a plan that would allow the*

counties to dial up and access this data base and pull information into their personal computers. The Division is also working with INK to determine the feasibility of providing information electronically through this service and use any fees generated therefrom for educational purposes.

- b. Division staff have been assigned to develop a statewide data base which includes income and expense information.*

RECOMMENDATION

- 7. To ensure counties cannot be considered in compliance with the requirements for uniform and equal appraisal when they have non-uniform values, the Division should:
 - a. Alter its point system so that a county cannot be considered in compliance with the law if it has major sales ratio study problems.
 - b. Include the price-related differential, or some other means of measuring the uniformity of appraisals among various price categories, in its assessment of whether counties have complied with the law.

RESPONSE

- a. The Division is not certain that placing the suggested level of importance on the ratio study for compliance purposes is prudent. The point system was developed to assure all parties that a fair review of the county performance was achieved. When it is inappropriate to place an undue weight on the ratio study, other criteria must be considered. Furthermore, the Division is not yet prepared to place more weight on the uniformity measure (coefficient of dispersion) than is placed on the accuracy measure (median ratio) without further research.

Requiring counties to be uniform and equal in their appraisals is not only appropriate it is required by the Kansas Constitution. A ratio study measures the counties

appraisal work based on those properties that sold in a given timeframe (normally a 12 month period). Every property in a county is not measured. It is presumed that the properties that sold are representative of all properties, however, when there are limited numbers of sales, such is not the case. For compliance purposes, the Division weights the measures and if there are insufficient sales, shifts to other criteria to determine compliance.

- b. The Division is considering including the price-related differential in future compliance criteria; however, a final decision has not been made as of this date.
- a. *Fifty percent of the weight for determining substantial compliance is on the ratio study. Counties cannot be out of compliance on both the median ratio and C.O.D. and be in substantial compliance.*
- b. *The Division will publish the price related differential beginning with the 1993 "official" ratio study. Whether the price related differential should be a factor in determining substantial compliance is still being considered; however, this is a criteria that was adopted in the Court Order. All counties are required to have a differential between .98 and 1.03 by January 1, 1998.*

RECOMMENDATION

- 8. To ensure that the sales ratio study is as accurate and valid as it can be, the Division of Property Valuation should implement the recommendations made by the experts who reviewed the study. Those recommendation include, testing for the representativeness of sales used in the study, correcting for outliers, eliminating adjustments of counties' uniformity scores, and using past years' sales to supplement information from counties with few property sales.

RESPONSE

The recommendations made by experts reviewing the ratio study were helpful. Most of the recommendations have or will be implemented, including, for example, corrections for outliers. The International Association of Assessing Officers, a Professor from Kansas University, the Division's Ratio Study Committee (three

economics professors from Kansas University, Kansas State University and Wichita State University) have all agreed outliers (those sales which produce extreme ratios) should be removed even though they may be valid sales. The Legislative Post Auditor has suggested implementing this recommendation. Removal of outliers is an accepted practice and will be incorporated into this study.

Using past years' sales to supplement where there are insufficient sales is controlled by statute which limits the inclusion to the previous year. The Division proposed legislation to allow four years of sales to be included but no action was taken by the 1993 Legislature. The Division will continue to review the ratio study and consider all recommendations for improvement.

- a. *Test Sales for Representativeness: The Ratio Study Technical Advisory Committee currently has an outline of a phase I plan which calls for a complete revision of residential sample selection procedures in large counties. The phase II plan will provide smaller counties with the procedures to define the population characteristics and weight selected samples before statistical calculations are made.*
- b. *Discontinue Practice of Broadening Counties Uniformity Scores: The Division does not broaden scores; however, the basis for determining compliance will shift to appraisal procedures and statutory mandates if the statistics are not reliable. Furthermore, the Ratio Study Advisory Committee (Glen Fisher, WSU; Jack Gaunimitz, KU; and, Ed Olson, KSU) have reviewed the use of confidence intervals and accepted the methodology for computing the interval. They have agreed it is necessary given some of the small sample sizes. Finally, the Divisions summer intern, a Ph.D. candidate in statistics, is reviewing the procedure to recommend improvements.*
- c. *Make Corrections for Outliers: The Division has incorporated this procedure for 1992 and will continue this practice in future studies.*
- d. *Use Sales From Past Years: This requires a legislative change that will be requested during the 1994 session.*

RECOMMENDATION

9. To help diminish the animosity between the counties and the Division and to ensure that the State and the counties are working together to achieve the same goals, the Division should continue to look for ways to involve county appraisers as much as possible in decisions affecting the appraisal process.

RESPONSE

The Division has and will continue to involve the counties in the process of improving the appraisal system. The Division would encourage the counties to continue providing feedback to the Division on ways to improve the process.

The education department met with the KCAA Education Committee to review proposed changes to the County Appraiser Eligibility Rules.

The counties were surveyed regarding their education needs.

The education calendar will be reviewed by the KCAA Education Committee prior to its publication.

County appraisal staff were invited to be members of several committees including:

- *Property Valuation Advisory Committee*
- *Irrigation Committee*
- *KSCAMA Committee*
- *Education Committee*

The KCAA Executive Board are given the opportunity to review guidelines and directives prior to their distribution to the counties. Specific examples where counties have contributed, participated in the development or reviewed Division material include the substantial compliance criteria, the Court Plan, the Sales Validation Questionnaire, the July and November Abstract formats and CAMA enhancements to name a few. Additionally, the Division also provides assistance through phone calls and direct in-county contact. Finally, with the completion of the 1992 ratio study (except for legal appeals), the Division has been able to reassign staff to provide field assistance on a regular basis.

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This memorandum does not address the recommendations made to the Legislature or the counties.

Again, I would like to thank the auditors for their assistance and professionalism, and I look forward to working with them in the future. I hope these comments have been helpful and I am available to answer any questions you may have.

CONCENTRATE ON THE PROBLEM

The Kansas County Appraisers Association would like to propose changes in the statutes and regulations which we feel will allow us to focus limited resources on solving remaining appraisal problems within our counties. These proposals are an extension of recommendations 11. a and b of the Performance Audit Report of the Legislative Post Audit Committee.

a. Review and consider amending K.S.A. 79-1448 and 79-2005 to limit the number of times a property owner can go through the three-level appeals process to a property's appraised value for a particular year.

We would propose that payment under protest hearings on questions of value be eliminated.

b. Consider amending K.S.A. 79-501 and 79-1460 to specifically allow county appraisers to conduct annual final reviews only on those properties for which the appraised values have changed by more than a specified percentage or amount.

We would propose that all phases of the appraisal maintenance cycle be based on the results of a complete, valid ratio study analysis and which focuses only on those geographic areas and property types that reflect appraisal level and/or uniformity problems.

One of the reasons the state of Kansas is still experiencing problems with appraisals four years after the initial implementation is the failure to concentrate resources on the problem. Statutory and regulatory schemes have been directed toward the lowest common denominator of appraisal performance under the assumption that problems continue to exist in every class within every area of the state. With the limited resources and equally limited commitment on the local level this approach has succeeded only in further stretching limited resources and failing to adequately address the problems which do exist, to the continued frustration of taxpayers and property tax administrators alike.

The Kansas County Appraisers would like to suggest a more systematic approach which places reasonable pressure on counties to resolve identified problems while also allowing a reasonable allocation of resources to accomplish that. Each county will be required to develop a plan of action, starting with an accurate definition of the remaining problem areas in terms of geography and property type. For the plan period, probably one year, resources will be directed primarily toward resolving that problem.

There are several specific areas of the statutes and PVD

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regulations which have to be changed for this to occur.

Hearing and Appeals. Taxpayer challenges to value are a necessary part of the appraisal cycle. It is a time when property owners may question any aspect of their property's value and or classification in an atmosphere where the appraiser has total authority to make required changes. It should allow a review of the appraiser's work under circumstances which allow the greatest latitude for local change at the least risk to the general taxpaying public. This occurs under current law following the mailing of valuation notices.

The payment under protest situation is significantly more precarious. First, the taxpayer's primary, if not exclusive, concern is the tax amount and yet he/she cannot protest that. He must back into that amount by challenging the value, which he may know nothing about or, in some cases, even agree is accurate. The appraiser is then thrust into this situation with no real authority to affect the outcome except by default. Finally, this occurs at a point in the taxing process which places budgeted revenues in jeopardy. The latter has forced some local jurisdictions to increase their delinquency rate in order to protect their budgets, and by doing so, increase the mill rate for all property owners.

There are only 260 work days in any year (52 x 5). The time which must be set aside for informal hearings begins on March 1 and extends to May 20 for a total of 59 work days in 1993. The time necessary for payment under protest is not as easily measured because taxpayers have the opportunity to enter the process at any time taxes are paid. The number of days a county devotes to this process could easily equal or exceed 85 days, which added to the time for informal appeals equals 144 days or 55% of the total year devoted to hearings.

From the taxpayers standpoint, this has created a nightmare maze of endless hearings that do not seem to resolve the problem because of the overlap of protest with equalization hearings and multiple tax years. For taxing jurisdictions it has inserted a measure of instability into the budget process which did not previously exist. For all property tax administrators it has increased the burden of their jobs. Finally, for appraisers it means they spend more time defending their values than they do preparing them.

In order to correct this situation the Appraisers' Association would suggest the elimination of the payment under protest on the basis of value. Exceptions may be allowed for property owners who did not have an opportunity to enter the appeal process at the beginning of the year; but in those cases the appeal should be taken directly to the State Board of Tax Appeals without an extra and unnecessary hearing at the county level.

Physical Inspection: There is no question that a physical inspection of real estate is necessary to an accurate appraisal. There is also little question that a periodic re-inspection is needed to insure the continued accuracy of physical characteristics recorded during the initial inspection and to

track depreciation. On the other hand, one of the primary benefits of utilizing real estate as a portion of the property tax base is its stability, its tendency not to change appreciably over short periods of time. Therefore, it is equally important to recognize that once the physical characteristics have been accurately recorded the remainder of the appraisal process is carried out away from the property.

Market value is a relative measure of differences between properties. It represents the assignment of varying levels of worth which are not readily apparent by simply looking at a property. For example, a three bedroom home may bring a higher price in a given market than a two bedroom home. The appraiser learns that by examining the relative level of selling prices and the characteristics of the homes that sold. All he or she learns from a physical examination of the subject property is the number of bedrooms it has, a fact which is not likely to change. What will change is the value placed on that number of bedrooms by the market.

Current law and regulations require that all parcels be re-inspected every four years, which most counties have translated into 25% each year. Considering the short time frame under which the initial data collection was performed, it is reasonable to assume that errors occurred; and improvement of appraisal equity will wait upon the correction of those errors. Once that is done, however, the re-inspection period may be extended, especially in areas which are covered by an effective building permit system. It may be possible to actually double the cycle to eight years, thereby reducing this portion of the annual county workload by half.

Another area which is more wasteful of resources is the requirement for a complete final physical review of parcels before the application of values. A competent county appraiser knows before he commits staff to this exercise where values are suspect and where they consistently match the market. Under current law and regulations that appraiser is required to expend the same amount of resources on the areas that are accurately appraised as those which are not. The result, in too many instances, has been an incomplete job overall. Not enough time is spent on the problem areas because of the time wasted looking at properties whose values match the market.

Once again, the Appraisers' Association would suggest an emphasis on the problem areas. Physical inspection can do no more than reveal property description errors. Areas and/or property types may have valuation problems precisely because of such errors, in which case a physical inspection is needed. Therefore, final physical inspections should only be performed in areas and/or on property types where the records of physical characteristics are suspect.

These represent the primary causes of delay in resolving appraisal problems in many counties. If the suggestions of the post audit committee are implemented it would allow the local appraiser to refocus resources and perform an adequate job of value updating within a single year cycle. If these suggestions

cannot be implemented it may become necessary to move to a two year cycle in order to provide sufficient time to complete all required phases of the appraisal process. There are some questions which would have to be resolved if that were to occur, however.

What date would be the appraisal date? Currently property is valued as of January 1 of each year. Under a two year cycle there would be one year when values would be carried over from the previous year. If a two cycle were to be initiated in 1994 and values carried over for 1995 would the appraisal date be January 1, 1994 for the 1995 tax year, or would it change to January 1, 1995?

If new improvements are added to the tax roll in the off year (1995 in the example above), would they be added at their value as of January 1 of the previous year?

Would valuation notices be mailed on all real estate parcels in the off year? If they are would they be informational only or would hearings be required?

If payment under protest is retained, would the property owner be required to establish the value as of January 1 of the current year or January 1 of the last year values were updated? This presents the problem of the property owner and the appraiser having to challenge/defend values that are two years old by the time the tax statements are mailed in the off year. Going back to the example above, if values are established as of January 1, 1994 and carried over in 1995 will the taxpayer be challenging the value as of January 1, 1994 or January 1, 1995?

If a county experiences significant, single-year market changes up or down, will that county be allowed to make appropriate value adjustments in any year or will it have to wait for the next cycle? A recent example involves the damage from the summer floods in Kansas and Missouri. Kansas taxpayers will have no relief from the tax statements to be mailed in November due to the January 1 appraisal date. Under the example being used so far, if a flood occurs in February of 1994 and completely destroys a real estate improvement, will the owner have to pay taxes on that improvement for 1994 and 1995?

These types of questions and the possibility of others which did not occur to us have led the Appraiser's Association to reconsider its position on a two year appraisal cycle. The two year cycle was proposed initially to allow the appraisers sufficient time to carry out the responsibilities assigned under the current system of laws and regulations. The same thing can be achieved by making the approach to appraisal maintenance more efficient and cost effective. We believe the changes proposed will accomplish that.

SENATE BILL NO. 223

AN ACT relating to property taxation; concerning the appeal process; and amending K.S.A. 79-344, 79-411, 79-501, 79-1460, 79-1476, 79-1480, 79-1486, 79-1488, and 79-2005 and repealing the existing statutes.

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

Section 1. K.S.A. 1992 Supp. 79-1460 is hereby amended to read as follows: K.S.A. 79-1460. The county appraiser shall notify each taxpayer in the county annually on or before March 1, for real property and May 1 for personal property, by mail directed to the taxpayer's last known address, of the classification or and appraised valuation of the taxpayer's property, except that, for tax year 1993 1994, and each year thereafter the valuation for all real property shall not be increased unless: (a) ~~A specific review thereof is conducted, including an individual physical inspection of such property by the county or district appraiser or such appraiser's designee provided that no such inspection shall be required to change the valuation of land devoted to agricultural use;~~ (b) a record of such inspection is maintained, including the documentation for such increase *is maintained*, and such record is available to the affected taxpayer; and ~~(c)~~ (b) for the taxable year next following the taxable year that the valuation for real property has been reduced due to a final determination made pursuant to the valuation appeals process, documented substantial and compelling reasons exist therefor and are provided by the county appraiser. For the purposes of this section and in the case of real property, the term "taxpayer" shall be deemed to be the person in ownership of the property as indicated on the records of the office of register of deeds or county clerk. Such notice shall specify separately both the previous and current appraised and assessed values for the land and buildings situated on such lands *each property class identified on the parcel*. ~~Such notice shall also include the most recent county sales ratio for the particular subclass of property to which the notice relates, except that no such ratio shall be disclosed on any such notices sent in any year when the total assessed valuation of the county is increased or decreased due to reappraisal of all of the property within the county.~~ Such notice shall also contain the uniform parcel identification number prescribed by the director of property valuation. Such notice shall also contain a statement of the taxpayer's right to appeal and the procedure to be followed in making such appeal. Failure to timely mail or receive such notice shall in no way invalidate the classification or appraised valuation as changed. The secretary of revenue shall adopt rules and regulations necessary to implement the provisions of this section.

New Sec. 2. K.S.A. 1992 Supp. 79-1476 is hereby amended to read as follows: K.S.A. 79-1476. The director of property

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valuation is hereby directed and empowered to administer and supervise a statewide program of reappraisal of all real property located within the state. Except as otherwise authorized by K.S.A. 19-428, and amendments thereto, each county shall comprise a separate appraisal district under such program, and the county appraiser shall have the duty of reappraising all of the real property in the county pursuant to guidelines and timetables prescribed by the director of property valuation and of updating the same on an annual basis. In the case of multi-county appraisal districts, the district appraiser shall have the duty of reappraising all of the real property in each of the counties comprising the district pursuant to such guidelines and timetables and of updating the same on an annual basis. Commencing in ~~1990~~ 1994, *the record of physical characteristics* of every parcel of real property shall be ~~actually viewed and inspected~~ *checked for accuracy* by the county or district appraiser once every ~~four~~ eight years. The director shall require the initiation of such program of statewide reappraisal immediately after the effective date of this act.

Compilation of data for the initial preparation or updating of inventories for each parcel of real property and entry thereof into the state computer system as provided for in K.S.A. 79-1477, and amendments thereto, shall be completed not later than January 1, 1989. Whenever the director determines that reappraisal of all real property within a county is complete, notification thereof shall be given to the governor and to the state board of tax appeals.

Valuations shall be established for each parcel of real property at its fair market value in money in accordance with the provisions of K.S.A. 79-503a, and amendments thereto.

In addition thereto valuations shall be established for each parcel of land devoted to agricultural use upon the basis of the agricultural income or productivity attributable to the inherent capabilities of such land in its current usage under a degree of management reflecting median production levels in the manner hereinafter provided. A classification system for all land devoted to agricultural use shall be adopted by the director of property valuation using criteria established by the United States department of agriculture soil conservation service. For all taxable years commencing after December 31, 1989, all land devoted to agricultural use which is subject to the federal conservation reserve program shall be classified as cultivated dryland for the purpose of valuation for property tax purposes pursuant to this section. Productivity of land devoted to agricultural use shall be determined for all land classes within each county or homogeneous region based on an average of the eight calendar years immediately preceding the calendar year which immediately precedes the year of valuation, at a degree of management reflecting median production levels. The director of property valuation shall determine median production levels based on information available from state and federal crop and livestock reporting services, the soil conservation service, and any other sources of data that the director considers appropriate.

The share of net income from land in the various land classes within each county or homogeneous region which is normally received by the landlord shall be used as the basis for determining agricultural income for all land devoted to agricultural use except pasture or rangeland. The net income normally received by the landlord from such land shall be determined by deducting expenses normally incurred by the landlord from the share of the gross income normally received by the landlord. The net rental income normally received by the landlord from pasture or rangeland within each county or homogeneous region shall be used as the basis for determining agricultural income from such land. The net rental income from pasture and rangeland which is normally received by the landlord shall be determined by deducting expenses normally incurred from the gross income normally received by the landlord. Commodity prices, crop yields and pasture and rangeland rental rates and expenses shall be based on an average of the eight calendar years immediately preceding the calendar year which immediately precedes the year of valuation. Net income for every land class within each county or homogeneous region shall be capitalized at a rate determined to be the sum of the contract rate of interest on new federal land bank loans in Kansas on July 1 of each year averaged over a five-year period which includes the five years immediately preceding the calendar year which immediately precedes the year of valuation, plus a percentage not less than .75% nor more than 2.75%, as determined by the director of property valuation.

Based on the foregoing procedures the director of property valuation shall make an annual determination of the value of land within each of the various classes of land devoted to agricultural use within each county or homogeneous region and furnish the same to the several county appraisers who shall classify such land according to its current usage and apply the value applicable to such class of land according to the valuation schedules prepared and adopted by the director of property valuation under the provisions of this section.

For the purpose of the foregoing provisions of this section the phrase "land devoted to agricultural use" shall mean and include land, regardless of whether it is located in the unincorporated area of the county or within the corporate limits of a city, which is devoted to the production of plants, animals or horticultural products, including but not limited to: Forages; grains and feed crops; dairy animals and dairy products; poultry and poultry products; beef cattle, sheep, swine and horses; bees and apiary products; trees and forest products; fruits, nuts and berries; vegetables; nursery, floral, ornamental and greenhouse products. Land devoted to agricultural use shall not include those lands which are used for recreational purposes, suburban residential acreages, rural home sites or farm home sites and yard plots whose primary function is for residential or recreational purposes even though such properties may produce or maintain some of those plants or animals listed in the foregoing definition.

The term "expenses" shall mean those expenses typically

incurred in producing the plants, animals and horticultural products described above including management fees, production costs, maintenance and depreciation of fences, irrigation wells, irrigation laterals and real estate taxes, but the term shall not include those expenses incurred in providing temporary or permanent buildings used in the production of such plants, animals and horticultural products.

~~The valuations established for tangible property under the program of statewide reappraisal shall not be applied by any county as a basis for the levy of taxes shall not be applied by any county as a basis for the levy of taxes until January 1, 1989.~~ The provisions of this act shall not be construed to conflict with any other provisions of law relating to the appraisal of tangible property for taxation purposes including the equalization processes of the county and state board of tax appeals.

New Sec. 3. K.S.A. 1992 Supp. 79-2005 is hereby amended to read as follows: K.S.A. 79-2005. (a) Any taxpayer, before protesting the payment of such taxpayer's taxes shall be required, either at the time of paying such taxes, or, if the whole or part of the taxes are paid prior to December 20, no later than December 20, or, with respect to taxes paid in whole on or before December 20 by an escrow or tax service agent, no later than January 31 of the next year, to file a written statement with the county treasurer, on forms approved by the state board of tax appeals and provided by the county treasurer, clearly stating the grounds on which the whole or any part of such taxes are protested and citing any law, statute or facts on which such taxpayer relies in protesting the *legality of the levy* whole or any part of such taxes. The county treasurer shall forward a copy of the written statement of protest to the ~~county appraiser who shall within 15 days of the receipt thereof, schedule a formal meeting with the taxpayer or such taxpayer's agent or attorney with reference to the property in question.~~ The county appraiser shall review the appraisal of the taxpayer's property with the taxpayer or such taxpayer's agent or attorney and may change the valuation of the taxpayer's property, if in the county appraiser's opinion a change in the valuation of the taxpayer's property is valued according to law, and shall, within 15 business days thereof, notify the taxpayer and the state board of tax appeals, in the event the valuation of the taxpayer's property is change, in writing of the results of the formal meeting. ~~The state board of tax appeals may within 45 days after receipt of notification of such change review such change and schedule a hearing thereon upon a finding that the taxpayer's property may not be valued according to law. If the state board of tax appeals takes no action within such 45 day period, the results of the formal meeting shall be final state board of tax appeals.~~

~~(b) If the grounds of such protest shall be that the valuation or assessment of the property upon which the taxes so protested are levied is illegal or void, such statement shall further state the exact amount of valuation or assessment which~~

~~the taxpayer admits to be valid and the exact portion of such taxes which is being protested.~~

~~—(c) If the grounds of such protest shall be that any tax levy, or any part thereof, is illegal, such statement shall further state the exact portion of such tax which is being protested.~~

~~—(d) Upon the filing of a written statement of protest, the grounds of which shall be that any tax levied, or any part thereof, is illegal, the county treasurer shall mail a copy of such protest to the governing body of the taxing district making the levy being protested.~~

~~—(e) Within 30 days after notification of the results of the formal meeting, the protesting taxpayer may, if aggrieved by the results of the formal meeting with the county appraiser, appeal such results to the board of county commissioners, or the hearing officer or panel appointed pursuant to K.S.A. 79-1602 79-1611, of the county wherein the property is located by filing a notice of such appeal with the county clerk, or, at the taxpayer's option, the taxpayer may appeal the results of the formal meeting directly to the state board of tax appeals, on forms approved by the state board of tax appeals and provided by the county treasurer, together with a copy of the written statement of protest. A copy of the written notification of the results of the formal meeting with the county appraiser shall be provided by the county appraiser.~~

~~—(f) Upon receipt of the copy of the written statement of protest and a copy of the written notification of the results of the formal meeting with the county appraiser, the board of county commissioners or hearing officer or panel shall within 30 days of such receipt hear the taxpayer's appeal and shall within 15 days thereafter notify the taxpayer and the state board of tax appeals, in the event the valuation of the taxpayer's property is changed. The state board of tax appeals may within 45 days after receipt of notification of such change review such change and schedule a hearing thereon upon a finding that the taxpayer's property may not be valued according to law. If the state board of tax appeals takes no action within such 45 day period, the decision of the board of county commissioners or the hearing officer or panels shall be final. If the taxpayer remains aggrieved by the results of such hearing, such taxpayer may appeal such results to the state board of tax appeals within 30 days of the date of such notice application. Thereupon, the board shall docket the same and notify the taxpayer and the county treasurer of such fact. In addition thereto if the grounds of such protest is that the valuation or assessment of the property is illegal or void the board shall notify the county appraiser thereof.~~

~~(g) (b) After examination of the copy of the written statement of protest and a copy of the written notification of the results of the formal meeting with the county appraiser, the board shall conduct a hearing in accordance with the provisions of the Kansas administrative procedure act, unless waived by the interested parties in writing. If the grounds of such protest is that the valuation or assessment of the property is illegal or~~

~~void the board shall notify the county appraiser thereof.~~

~~(h)~~ (c) In the event of a hearing, the same shall be originally set not later than 90 days after the filing of the copy of the written statement of protest and a copy of the written notification of the results of the formal meeting with the county appraiser with the board. In all instances where the board sets a request for hearing and requires the representation of the county by its attorney or counselor at such hearing, the county shall be represented by its county attorney or counselor.

~~(i)~~ (d) When a determination is made as to the merits of the tax protest, the board shall render and serve its order thereon. The county treasurer shall notify all affected taxing districts of the amount by which tax revenues will be reduced as a result of a refund.

~~(j)~~ If a protesting taxpayer fails to file a copy of the written statement of protest and a copy of the written notification of the results of the formal meeting with the county appraiser with the board within the time limit prescribed, such protest shall become null and void and of no effect whatsoever.

~~(k)~~ (e) In the event the board orders that a refund be made and no appeal is taken from such order, the county treasurer shall, as soon thereafter as reasonably practicable, refund to the taxpayer such protested taxes from tax moneys collected but not distributed. Upon making such refund, the county treasurer shall charge the fund or funds having received such protested taxes.

~~(l)~~ (f) Whenever, by reason of the refund of taxes previously received or the reduction of taxes levied but not received as a result of decreases in assessed valuation, it will be impossible to pay for imperative functions for the current budget year, the governing body of the taxing district affected may issue no-fund warrants in the amount necessary. Such warrants shall conform to the requirements prescribed by K.S.A. 79-2940, and amendments thereto, except they shall not bear the notation required by such section and may be issued without the approval of the state board of tax appeals. The governing body of such taxing district shall make a tax levy at the time fixed for the certification of tax levies to the county clerk next following the issuance of such warrants sufficient to pay such warrants and the interest thereon. All such tax levies shall be in addition to all other levies authorized by law.

~~(m)~~ (g) The county treasurer shall disburse to the proper funds all portions of taxes paid under protest and shall maintain a record of all portions of such taxes which are so protested and shall notify the governing body of the taxing district levying such taxes thereof and the director of accounts and reports if any tax protested was levied by the state.

~~(n)~~ (h) This statute shall not apply to the valuation and assessment of property assessed by the director of property valuation and it shall not be necessary for any owner of state assessed property, who has an appeal pending before the board of tax appeals, to protest the payment of taxes under this statute solely for the purpose of protecting the right to a refund of taxes paid under protest should that owner be successful in that

appeal.

New Sec. 4. K.S.A. 79-1480 is hereby amended to read as follows: K.S.A. 79-1480. From and after January 1 of the year in which valuations for real property determined under the program of statewide reappraisal are implemented, each county shall maintain in the office of the county clerk multiple copies of a listing of the assessed valuations of each parcel of real property located within the county. Such listing shall contain separate valuations for ~~the land and for the buildings located thereon~~ **each class of property on the parcel**. Such listing shall be arranged alphabetically by city and street name and prepared in a manner that each parcel of real property is listed in progressive order by numerical street address for property located within the corporate limits of cities and so far as possible for property located outside of the corporate limits of cities within the county. Property for which no street addresses exist shall be listed separately from property with street addresses and arranged in alphabetical order by township or city and owner's name with information sufficient to disclose the location thereof. Such listings shall be open to public inspection during all normal working hours of the office of the county clerk.

New Sec. 5. K.S.A. 79-1486 is hereby amended to read as follows: K.S.A. 79-1486. (a) "Sale" or "sales" shall include all transfers of real estate for which a real estate sales validation questionnaire is required by K.S.A. 79-1437c, and amendments thereto **and which are valid indicators of market value as that term is defined in Kansas statutes in standards promulgated by the International Association of Assessing Officers;**

(b) "real estate" shall include land, improvements and structures which are appraised as real property;

(c) "director" shall mean the director of property valuation;

(d) "classification" shall mean those classifications which apply to real property contained in K.S.A. 79-1439, and amendments thereto, or any stratification which may be prescribed by the director;

(e) "average" shall mean that measure or measures of central tendency which the director shall determine best describes a group of individual ratios;

(f) "ratio" shall mean the numerical relationship between the appraised or assessed value and the selling price; and

(g) "study year" shall mean that twelve-month period beginning annually on January 1. (Chpt 131, 1992 Session Laws)

New Sec. 6. K.S.A. 79-1488 is hereby amended to read as follows: K.S.A. 79-1488. It shall be the duty of the director to obtain all information relating to each sale of real estate as the director shall deem necessary ~~to carry out the intent and purposes of this act to perform an appraisal/sales ratio study according to standards promulgated by the International~~

Association of Assessing Officers. The director shall prescribe the form in which the data is obtained. The director shall assign agents who shall verify that all sales are included considered. The director shall determine the average median ratio, coefficient of dispersion and price related differential for residential, commercial and vacant classes of real estate within each county of real estate sales and the coefficient of dispersion for each classification of property in each county. If, in the director's opinion, sales from the study year are insufficient to determine reliable ratios for any classification of property in any county, sales from the ~~twelve-month~~ four year period preceding the study year may be used to supplement study year sales or the director may obtain or conduct appraisals for the purpose of supplementing, verifying or correcting ratios for the study year.

New Sec. 7. K.S.A. 79-344 is hereby amended to read as follows: K.S.A. 79-344. (a) *Whenever the total assessed valuation upon the tangible personal property of any taxpayer results in an estimated tax liability* ~~aggregate amount of tax owed upon tangible personal property by any taxpayer is less than \$5, such assessed valuation shall not be certified to the county clerk as required by K.S.A. 79-1467 and amendments thereto tax shall be cancelled and no personal property tax statement shall be issued. Said tax liability shall be estimated based upon the preceding year's mill rate for the tax district in which the personal property is located for tax purposes.~~

(b) The provisions of this section shall apply to all taxable years commencing after December 31, 19943.

New Sec. 8. K.S.A. 79-411 is hereby amended to read as follows: K.S.A. 79-411. The assessor or appraiser from actual view and inspection or *from statistical methods prescribed by the property valuation director*, from consultation with the owner or agent thereof if expedient and from such other sources of information as are within his or her reach, shall determine as nearly as is practicable the fair market value in money of all taxable real property within his or her township, city or county, as the case may be and he shall appraise all such real property at its fair market value in money and assess the same as required in K.S.A. 79-1439.

New Sec. 9. K.S.A. 79-501 is hereby amended to read as follows: K.S.A. 79-501. Each parcel of real property shall be appraised at its fair market value in money, the value thereof to be determined by the appraiser ~~from actual view and inspection of the property following the uniform standards of professional appraisal practice. The price at which such real property would sell at forced sale may be taken as a criterion of such fair market value in the market place of such sale if the appraiser believes such price to be a reasonable factor in arriving at fair market value. The price at which real property would sell at auction may be taken as the criterion of fair market value in money if the appraiser determines such sale to be an arms-length~~

~~transaction between a willing buyer and seller.~~ In addition, land devoted to agricultural use shall be valued as provided by K.S.A. 79-1476, and amendments thereto. Tangible personal property shall be appraised at its fair market value in money except as provided by K.S.A. 79-1439, and amendments thereto. All such real and tangible personal property shall be assessed at the rate prescribed by K.S.A. 79-1439, and amendments thereto.

New Sec. 10. K.S.A. 79-412 is hereby amended to read as follows: K.S.A. 79-412. It shall be the duty of the ~~assessor~~ ~~appraiser~~ to examine all such buildings and other improvements as are not expressly exempt from taxation and shall ~~separately~~ value the land and improvements; but the value of the land and the improvements thereon shall be entered on the assessment roll in a single aggregate.

SENATE BILL NO. XXX

AN ACT relating to property taxation; concerning the appeal process; and amending K.S.A. 79-1412a, 79-1426, 79-1470, 79-1472, and 79-1475 and repealing the existing statutes.

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

New Sec. 1. K.S.A. 79-1412a is hereby amended to read as follows: K.S.A. 79-1412a. (a) County appraisers and district appraisers shall perform the following duties:

First. Install and maintain such records and data relating to all property in the county, taxable and exempt, as may be required by the director of property valuation.

Second. Annually, as of January 1, supervise the listing and appraisal of all real estate and personal property in the county subject to taxation except state-appraised property.

Third. Attend meetings of the ~~county board of equalization hearing officer/panels~~ for the purpose of aiding such ~~board hearing officers/panels~~ in the proper discharge of its duties, making all records available to the ~~county board of equalization hearing officers/panels~~.

Fourth. Prepare the appraisal roll and certify such rolls to the county clerk.

Fifth. Supervise the township trustees, assistants, appraisers and other employees appointed by the appraiser in the performance of their duties.

Sixth. The county appraiser or district appraiser in setting values for various types of personal property, shall conform to the values for such property as shown in the personal property appraisal guides devised or prescribed by the director of property valuation.

Seventh. Carry on continuously throughout the year the process of appraising real property.

Eighth. If the county appraiser or district appraiser deems it advisable, such appraiser may appoint one or more advisory committees of not less than five persons representative of the various economic interests and geographic areas of the county to assist the appraiser in establishing unit land values, unit values for structures, productivity, classifications for agricultural lands, adjustments for location factors, and generally to advise on assessment procedures and methods.

Ninth. Perform such other duties as may be required by law.

(b) The director of property valuation shall give notice to county and district appraisers and county boards of ~~equalization commissioners~~ of any proposed changes in the guides, schedules or methodology for use in valuing property prescribed to the county and district appraisers for use in setting values for property within the county or district. Such notice shall also be published in the Kansas register and shall provide that such changes are available for public inspection. Changes and modifications in guides, schedules or methodology for use in

valuing property which are prescribed by the director of property valuation for use by county and district appraisers on or after July 1 in any year shall not be utilized in establishing the value, for the current tax year, of any property, the value of which has previously been established for such year.

New Sec. 2. K.S.A. 79-1426 is hereby amended to read as follows: K.S.A. 79-1426. Any county ~~assessor~~ *appraiser*, deputy ~~assessor~~ *appraiser*, member of the state board of tax appeals, director of property valuation, or member of any ~~county board of equalization hearing officer/panel~~, and every other person whose duty it is to list, value, assess or equalize real estate or tangible personal property for taxation, who shall knowingly or willfully fail to list or return for assessment or valuation any real estate or personal property, or who shall knowingly or willfully list or return for assessment or valuation any real estate or personal property at other than as provided for by law, or any assessing officer who shall willfully or knowingly fail to appraise, assess or to equalize the values of any real estate or tangible personal property, which is subject to general property taxes as required in K.S.A. 79-1439, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding five hundred dollars (\$500) or imprisonment in the county jail for a period not exceeding ninety (90) days, and in addition thereto shall forfeit his or her office if an officer mentioned herein. A variance of 10% in the appraisal at fair market value in money shall not be considered a violation of this section.

New Sec. 3. K.S.A. 79-1470 is hereby amended to read as follows: K.S.A. 79-1470. In any year during the month of April for real property and the month of May for personal property, the county appraiser may request the hearing officer or panel ~~or the county board of equalization~~ to order a change in the classification or the appraised valuation of property on the certified appraisal rolls. Any such request shall be made to the hearing officer or panel, ~~if any, otherwise to the county board of equalization~~. The county appraiser shall utilize the appraised value appeal form when making such requests.

New Sec. 4. K.S.A. 79-1472 is hereby amended to read as follows: K.S.A. 79-1472. The county appraiser or the appraiser's designee shall attend meetings of the hearing officer or panel ~~or the county board of equalization~~ for the purpose of aiding such hearing officer or panel or board in matters involving the appraisal of property, and the county appraiser shall make all records concerned therewith available to the hearing officer or panel ~~or the county board of equalization~~. The absence of the county appraiser or the appraiser's designee from any such meeting shall not affect the authority to meet and conduct the business of the hearing officer or panel or the board.

New Sec. 5. K.S.A. 79-1475 is hereby amended to read as follows: K.S.A. 79-1475. Whenever the county appraiser

discovers that any real property subject to taxation has been omitted from the tax rolls, such property shall immediately be listed and valued by the appraiser, and returned to the county clerk. The county clerk, upon receipt of the valuation for such property, shall place such property on the tax rolls and compute the amount of tax due based upon the mill levy for the *current* ~~tax year in which such tax should have been levied~~, and shall certify such amount to the county treasurer as an added or escaped appraisal. The amount of such tax shall be due immediately and payable within 45 days after the issuance of an added or escaped property tax bill by the county treasurer. No interest shall be imposed unless the tax remains unpaid after such 45-day period. Taxes levied pursuant to this section which remain unpaid after such 45 day period shall be deemed delinquent and the county treasurer shall proceed to collect and distribute such tax in the same manner as prescribed by law for the collection and distribution of other taxes levied on property which are delinquent. No property shall be assessed pursuant to this section to any person other than the current owner unless such property was acquired by will, inheritance or gift.

Fiscal Reports for FY93 (FY94 Budget) New Case Filings

	<u>Fiscal Year</u>									
	85	86	87	88	89	90	91	92	93	94
Special Appeals										
Protests	0	0	0	1053	1242	15468	3831	3619	6035	1379
Exemptions	856	955	1403	3691	4023	3635	4263	6562	8899	830
Grievances	3492	3921	6867	1056	1620	1607	2093	2734	3026	749
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Subtotal Appeals	4348	4876	8270	5800	6885	20710	10187	12915	17960	2958
Other Appeals										
Co Bd of EQ	49	176	74	55	361	1769	1058	2309	1524	639
Dir of Tax	6	15	44	29	32	54	66	69	111	22
Dir of PV	16	11	28	0	3	20	26	28	17	27
No-fund War	36	27	37	27	27	48	43	23	21	8
School Dist	6	2	5	9	44	72	0	0	0	1
Ind Rev Bond	249	204	148	28	41	47	22	34	45	11
Eco-Dev Exmpt	0	0	0	27	46	76	71	71	37	10
Other	0	0	0	0	4	1	0	0	6	0
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Subt Other Appeals	362	435	336	175	558	2087	1286	2534	1761	718
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Subt All Appeals	4710	5311	8606	5975	7443	22797	11473	15449	19721	3676
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Info. Review Results										
Justifications	0	0	0	0	0	51598	13186	12614	8487	1208
Misc.	0	0	0	10	11	13	11	5	7	2
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Subtotal Reviews	0	0	0	10	11	51611	13197	12619	8494	1210
	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Tot. Findings Doc.	4710	5311	8606	5985	7454	74408	24670	28068	28215	2735
	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Hearings @ BOTA				1342	1045	2286	4945	3441	3135	390
Cases Closed				5782	7023	7397	21259	16426	20711	2416
Open Cases @ Yr End			5971	6164	6584	21984	12198	11221	10231	11491

Senate Assessment & Tax
 Sept 30, 1993
 att 5+1

Joan Finney

Governor

THE STATE



OF KANSAS

BOARD OF TAX APPEALS

Jack Shriver, Chairman

Docking State Office Building
915 SW Harrison St., Ste. 400-S
Topeka, Kansas 66612-1505
AG-913-296-2388 FAX 296-6690

Maybelle Mertz, Member
Myra B. Gross, Member
Fred J. Hirsch, Member
Lawrence L. Tenopir, Member

M E M O R A N D U M

TO: WALTER DARLING, ANALYST
DIVISION OF THE BUDGET

FROM: BOARD OF TAX APPEALS
JACK SHRIVER, CHAIRMAN

DATE: OCTOBER 22, 1992

RE: FY 94 BUDGET APPEAL

The Board of Tax Appeals appeals the preliminary determinations made by the Division of Budget for FY 94 funding. The issues stated are in order of priority and supported with narrative discussion.

FY 93 - CHANGES

A. Salaries

With regard to the Division of Budget moving \$19,229 from OOE to Salaries, the Board feels that by the time you pay the rent and communications, the Board has no flexibility in OOE. Other Operating Expenses are very limited as is and the Board would not want to jeopardize its operation of the office by cutting this amount from OOE. Therefore, the Board has asked that the change not be made. With a single line item, as the Division of Budget has recommended for FY 94, we will endure the current salary shortfall if absolutely necessary.

OTHER OPERATING EXPENDITURES

A. Continuing Education

The Board of Tax Appeals (Board) members and staff hear valuation appeals as a matter of course. Most if not all of these appeals require a working knowledge of appraisal practice to

achieve consistent results. Further, court decisions plainly require that a reasonable estimate of fair appraised value is a condition precedent to constitutional taxation.

Some of the Board's staff have been trained in appraisal practices and such expertise is used every day. However, a majority of the current members and attorneys have not been so trained. Since each appeal requires both member and attorney participation, it is essential that each have fundamental appraisal training.

1992 H Sub. for S.B. 8 requires hearing officers to be certified with basic appraisal training. Property Valuation Department (PVD) currently requires local hearing officers to have completed IAAO Courses 1 and 2. Appeals from their decisions are made to the Board. It is unfathomable that officials at preliminary hearings are required to be certified, but that the appeal shall be heard by those less trained. The Board supports training for the members and attorneys. However, the 1992 Legislature split salaries from other operating expenditures. This distinction prompts the Board's request for training appropriations.

It is estimated that IAAO Courses 1 and 2 would cost approximately \$600 per course. These expenses include travel, subsistence, and tuition. Taking into account the current training already in place, the Board would require 17 courses for attorneys and members to take these courses. (There are five members and eight attorneys on staff.) Total cost is estimated at approximately \$10,000.

The complexity of properties appealed continues to increase at the Board. Recent examples are special purpose properties like the Woodlands Racetrack, golf courses, low-income housing, etc. make advanced training worth the investment. The Board requests that selected members of the staff attend advanced appraisal courses. Due to the advanced material, these courses are not often offered in Kansas. Thus, the Board requests appropriations consistent with out-of-state travel expenditures. These courses could instruct the staff in industrial property appraisal, environmental damage to property, discounted cash flow modeling, etc. Cost of these courses is estimated at 3-5 courses, and a total appropriation of \$6,000. This amount is not sufficient to cover the entire cost of tuition and subsistence, but the staff is willing to personally assume responsibility for up to 25% of the expense.

The total appropriation request is \$16,000 in other operating expenses under Object Code 250.

(3)

MEMORANDUM

TO: JACK SHRIVER
FR: JIM JESSE
RE: BOARD POSITIONS ON SALES RATIO AND STIPULATION CASES
DATE: SEPTEMBER 28, 1993

SALES RATIO STUDIES

The Board has held that all sales must be included in a county's respective sales ratio study for a given year. This includes even sales which do not represent fair market value as defined by K.S.A. 79-503a. It is the position of various counties and the Division of Property Valuation that only fair market sales should be included in a sales ratio study.

Our conclusion is based upon what we see as the plain and ordinary meaning of the Kansas Real Estate Ratio Study Act, K.S.A. 79-1485 et. seq. The Act defines sales as follows:

"Sale" or "sales" shall include all transfers of real estate for which a real estate sales validation questionnaire is required by K.S.A. 79-1437c, and amendments thereto.

79-1486(a) (emphasis added). ¶ 10 of Order. 79-1437c requires a sales validation questionnaire for all deeds or instruments which provide for the transfer of real estate. There are numerous exceptions not pertinent to the issue here in 79-1437e. None of the exceptions listed involve "fair market value". Moreover, 79-1488 states:

It shall be the duty of the director to obtain all information relating to each sale of real estate as the director shall deem necessary to carry out the intent and purposes of this act. The director shall prescribe the form in which the data is obtained. The director shall assign agents who shall verify that all sales are included.

(emphasis added). ¶ 9 of Order.

It is our contention that the plain and ordinary meaning of the word "all" means every sale. "All" means just that. The Board of Tax Appeals, as an administrative tribunal, does not have the power to rewrite legislation or ignore its plain meaning. Our task is to interpret the statute given the plain and ordinary meaning of the words chosen by the legislature, not to rewrite laws to our own liking.

Our interpretation is bolstered by the fact that the legislature amended the Sales Ratio Act in 1992. The prior law, which was repealed, did limit "sales" to those which were "found by the director to be valid for the purpose of the assessment-sale ratio study." K.S.A. 79-1435, repealed in L. 1992, ch. 131, §§ 2, 10, July 1. When language has been omitted through repeal, a presumption is raised that the change in

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the meaning and effect was intended by the legislature. State v. Dubish, 234 Kan. 708, 713, 675 P.2d 877 (1984) (quoting State ex rel. Stephan v. U.S.D. No. 428, 231 Kan. 579, 647 P.2d 329 (1982)). ¶ 22 of Order.

The counties and PVD object to our interpretation primarily because the studies have been used to judge the performance of county appraisers. It is only natural that county appraisers find our interpretation troubling since they are presumably being judged by non-fair market sales. However, judging county appraisers via a sales ratio study is not one of the purposes enunciated under the Act:

The purpose of this act is to provide statistical information regarding the relationship of the appraised value to the selling price of real estate which has sold during the study year and the relative level of uniformity of appraisal within and among counties and to report such information in convenient form to the legislature and other interested parties.

79-1485(b). Thus, there is no stated purpose that the study should measure a county appraiser's performance by looking at the appraised value and those sales which were determined to be "fair market sales". If PVD does, in fact, judge county appraisers through the sales ratio study, they are doing so without statutory authority.

If the legislature wants the main purpose of the sales ratio study to judge county appraiser's performance they should explicitly state so. Further, if the legislature wishes only fair market sales to be included in a sales ratio study they should say so explicitly or define sales by referring to 79-503a.

In summation:

- we interpreted the Sales Ratio Act pursuant to its plain and ordinary meaning. 79-1486(a), 1488.
- the legislature dropped language which did limit "sales" to fair market sales.
- judging county appraiser's performance through a sales ratio study is not listed as a purpose of the act.
- legislature should say explicitly whether "fair market sales" are to be included in a sales ratio study.

STIPULATIONS

The Board has held that we have the power to reject stipulations entered into between a county and taxpayer regarding the fair market value of real estate. We found this power inherent in the statutory scheme of property taxation, our administrative power as the tribunal

specializing in tax matters, and our duty to find, pursuant to law, the fair market value of property.

BOTA is the paramount taxing authority in the state and our Orders are given great deference and credence. The Board is the agency which interprets and administers 79-503a in determining fair market value. Courts have long given great weight to the interpretation of a statute by the administrative body charged with enforcing it. Kansas Bd. of Regents v. Pittsburg State Univ. Chap. of K-NEA, 233 Kan. 801, 809, 667 P.2d 306 (1983). It was held in Regents to be a question of law when an administrative agency is construing a contract. Furthermore, that agency's interpretation is persuasive and entitled to deference. Id. at 810. We found that there is no discernible difference between interpreting a contract and a stipulation, which is essentially a contract between the county and the taxpayer. (See ¶'s 4, 5, 6 of Rationale).

BOTA, under penalty of criminal sanctions, 79-1426, must determine the fair market value of property pursuant to 79-501 and 79-503a. A court cannot abdicate its duties by simply relying upon the stipulation of parties. In re Petition of City of Shawnee for Annexation of Land, 236 Kan. 1, Syl. ¶ 6, 687 P.2d 603 (1984). The parties cannot, through a stipulation, avert the statutory (and constitutional) mandates that valuation of real estate must be appraised at fair market value.

K.S.A. 79-2005 bolsters our conclusion that we have the power to reject stipulations. This statute requires the Board to review changes in value made by a county appraiser or county commissioners after a protest hearing, but before the appeal is docketed. Thus, it is our contention that if we have the power to accept or reject agreements between the county and the taxpayer before the appeal is docketed, then we have such power after the appeal has been docketed. It defies logic to say we have the power to reject stipulations, say the day before the case is docketed, but not the day after. It would be unfair to scrutinize one taxpayer's agreement with the county and accept, without examination, another's simply based upon the willingness and timeliness of the county to stipulate to a value. If BOTA did not have the power to reject stipulations, the following could result: a stipulation we reject before a case is docketed could be resubmitted without any changes and we would be bound to accept it. This irrational conclusion would render 79-2005(a) and (f) meaningless. Our power to reject stipulations is a natural progression of, and implicit in, our power granted in 79-2005. (See ¶ 6 of Rationale).

The Kansas Constitution, Art. 11, § 1, mandates that property shall be valued uniformly and equally. This mandate is met by valuing property according to its fair market value as defined by 79-503a. Garvey Grain, Inc. v. MacDonald, 203 Kan. 1, 10, 453 P.2d 59 (1969). Thus, the Board is upholding its constitutional duty by rejecting stipulations we feel do not reflect fair market value. (¶ 9 of Rationale).

Parties cannot stipulate to matters contrary to statute or to matters of public concern. In Re Petition of City of Shawnee for Annexation of Land, 236 Kan. 1, 16-17, 687 P.2d 603 (1984). Courts are not bound by a parties' stipulation concerning a conclusion of law. Id. It is our contention that the fair market value is a question of law since it is defined by a statute--K.S.A. 79-503a. If the interpretation of a statute is not a question of law, then, quite frankly, few things would be. Many cases in Kansas have held that an interpretation of a statute is a question of law. Amoco Production Co. v. Director of Taxation, 213 Kan. 636, Syl. ¶ 4, 518 P.2d 453 (1974). In the alternative, we determined that even if a stipulation as to fair market value could somehow be labeled a "finding of fact", it is an "ultimate fact"--one that more closely resembles a conclusion of law. There is no more an "ultimate" fact which the Board finds than fair market value. (¶'s 8, 10-21).

Furthermore, we are bound to back up our findings with "a concise and explicit statement of the underlying facts of record to support the findings." 77-526 (Kansas Administrative Procedure Act). If we adopted stipulated values without question, we would not be able to make detailed finding of fact as required by statute.

In summation, we can reject stipulations because:

- we are the paramount taxing authority in the state;
- we are bound by the Kansas Constitution and state law to value property according to its fair market value. 79-501, 503a, 1426;
- if we can reject stipulations before an appeal is docketed, then we can after it has docketed;
- we are not bound by a stipulation concerning a question of law, ultimate fact, matter of public policy, or contrary to statute.



**THE LEAGUE
OF KANSAS
MUNICIPALITIES**

**Municipal
Legislative
Testimony**

AN INSTRUMENTALITY OF KANSAS CITIES 112 S.W. 7TH TOPEKA, KS 66603-3896 (913) 354-9565 FAX (913) 354-4186

TO: Senate Committee on Assessment and Taxation

FROM: Chris McKenzie, Executive Director *Chris McKenzie*

DATE: September 30, 1993

RE: Repeal of Individual Fund Levy Rate Limitations

Thank you for this opportunity to address you today concerning the possible consideration of the repeal of individual fund levy rate limitations contained in the Kansas Statutes Annotated. I understand that since no bill draft has yet been presented to the Committee that my comments should be conceptual in nature. I have provided you with some specific examples, however.

1. Origins of Tax Levy Limitations

As the Department of Administration's representatives briefed this Committee last session, the concept of fund levy rate limits has its origins at least as far back as 1933 when the cash basis, budget and tax limitation triumvirate of laws was enacted by the legislature. If you examine Article 19 of Chapter 79 of the Kansas Statutes Annotated, however, you will note that the predecessors of today's fund levy rate limitations, found at K.S.A. 79-1901, also were repealed in 1933. So the concept of limitations on property taxes goes back in Kansas to at least 1909.

2. What Are Fund Levy Rate Limitations?

In order to understand why the legislature should consider repealing fund levy rate limitations, it is important to understand what they are and what they are not. The 1933 fund levy rate limit statutes, found at K.S.A. 79-1945 et seq., express the tax levy limitation they impose in **mills** rather than in dollars. In fact, the limitation is expressed in terms of mills for a **specific fund**.

For example, K.S.A. 79-1953, first enacted in 1933 and last amended in 1977, limits cities of the third class from levying more than 1.0 mill for noxious weed eradication. So in a city with \$3 million in assessed valuation, that city could levy a maximum of \$3,000 in property taxes for its noxious weed fund ($\$3,000,000 \times .001 = \$3,000$). Similarly, someone with a residential property with a market value of \$50,000 in such a city, which would have an assessed value of \$5,750, could be taxed by the city no more than \$5.75 ($\$5,750 \times .001 = \5.75) each year for the noxious weed fund.

In other words, this 1977 statute appears to limit local spending for noxious weeds and other purposes. Putting aside for a minute the policy question of whether this or any other legislature should be in this business or whether it should be done locally, this approach to controlling local property taxes raises at least two policy questions:

- (1) Is the limitation fair to all cities of the third class?
- (2) Do we really need to levy a tax for a noxious weeds **fund** in a city of the third class? Couldn't the same purpose be accomplished by levying for the general fund?

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3. How Reappraisal Affected The Situation

Reappraisal and the laws which governed it had an effect on this whole situation. In 1985 when the legislature ordered reappraisal it enacted a new **aggregate tax lid law** which imposed a limitation in dollars on the growth in local property tax levies. While this aggregate limitation was similar to limits that had been in place since 1973 (see K.S.A. 79-5001 et seq., now repealed), it did something different in K.S.A. 79-5022. It 1989 and subsequent years that statute **suspended all existing statutory fund mill levy rate and aggregate levy limitations**. In their place, the legislature adopted a new aggregate tax lid law.

The 1985 legislature suspended the fund mill levy rate limit laws because assessed valuations were expected to soar statewide when reappraisal took effect in 1989, and it was felt that the fund mill levy rate limits should not be allowed to grow in proportion to the growth in assessed valuation. This suspension has been in effect since 1989 and expires June 30, 1995.

Under the aggregate tax lid in effect since 1989 cities, counties and townships have been able to ignore the artificial fund limitations imposed by the now suspended fund levy rate limits as long as the total limitation for all nonexempt purposes was not exceeded. What has happened since 1989 is that many local units have levied property taxes in excess of the mill levy rate limits contained in the now suspended statutes which contain them. At the same time, these local units have not exceeded their aggregate limit. In other words, within the cap established by the legislature, cities, counties and townships have been able to set local spending and taxation priorities for those programs that are not mandated by the state and federal governments. Further, more programs are being funded today out of city general funds, a practice consistent with Generally Accepted Accounting Principles (GAAP)--the accounting standard for cities imposed by other statutes of Kansas.

4. Where We Are Today

Think back for a moment to the pre-1989 city of the third class and its property tax levy for the noxious weeds fund. While that 1977 statute (K.S.A. 79-1953) limited the maximum revenue from property taxes in 1988 (for example) for noxious weeds was \$3,000, in 1992 it may have levied \$6,000 for the same purpose for the general fund. This same city probably did not experience a doubling in valuation between 1987 and 1993, but its governing body decided that \$3,000 more was needed for noxious weeds. And except for added valuation since 1988, the city probably is levying less for other purposes while staying under the aggregate tax lid.

The levy rate limitation statutes that have been suspended since 1989 really have become irrelevant to the operation of local government. Further, it is clear that in those areas that have actually lost valuation as a result of reappraisal that the old fund levy rate limit statutes would impose an unreasonable restriction on local units.

5. The League's Recommendation

Working in concert with the Kansas Association of Counties and the Municipal Accounting Section of the Department of Administration, the League is helping to craft a bill which would repeal most of the 1933 era fund levy rate limitations found in Article 19 of Chapter 79 of the Kansas Statutes Annotated. Copies of those statutes are attached for your review. Please note that many of them have not been amended for many years. As a result, they bear little relation to the reality facing the local units of Kansas today. In working on this legislation, the league intends to safeguard wherever possible the petition and voting rights of existing tax authorizing statutes.

6. The Special Case of Library Board Levies

We also are working with the Association of local librarians to find a workable solution to the potential difficulty created by eliminating the fund levy rate limitations contained in current law. Library levies present a special situation because library levies are not counted by a city as part of its base tax levy for purposes of the aggregate tax lid. Instead, a separate lid is provided for in the aggregate lid law. Some library boards (which generally are appointed by city councils) are finding that lid confining, and they are acting to revert back to the fund levy rate limitation for libraries found in the appropriate statute.

Since the separate library statutes allow local library boards to impose a tax levy on the city governing body that does not exceed the fund levy rate limit established by statute or by local charter ordinance, friction can and does arise in some circumstances when the local library board wants a levy no less than the maximum allowed by law. In such cases, the city governing body is powerless under K.S.A. 12-1220 to modify the levy. Due to this special circumstance, repeal of the fund levy rate limit for libraries raises special questions about how libraries should be treated in such legislation. We are willing to work with your staff, the K.A.C., and representatives of the libraries to develop a workable scheme for everyone. I am confident a fair solution can be devised prior to your next meeting.

7. Conclusion

As a matter of policy, the League opposes tax limitations on cities for the same reason we oppose them on state government. The elected officials representing the cities of Kansas are just as sensitive about the reasonableness of local taxes as are elected state officials. Some would contend they can be even more sensitive.

Separate and apart from our policy position, however, we would respectfully observe that the now antiquated fund levy rate limit statutes present some very dangerous possibilities for local units that have lived with five (5) years of greater flexibility under the reappraisal aggregate tax lid. In some cases, a return to the fund levy rate limitations would be a major burden. Finally, it would encourage a return to the use of multiple funds--a practice discouraged by professional accountants and managers.

Thank you for your attention to these concerns. I would be happy to try to answer any questions you may have on this subject.

79-1945. Limitation on tax levy rates and amounts. The board of county commissioners is authorized to levy in each year taxes for the several county purposes, on the assessed tangible valuation of the respective counties, not to exceed the tax levy rates and amounts specified in the following sections of this act.

History: L. 1933, ch. 309, § 1; L. 1941, ch. 370, § 1; L. 1981, ch. 379, § 3; July 1.

79-1946. Limit on levy for county general expenses and payment on bonds issued under 12-1774; increase by certain counties. The board of county commissioners of each of the several counties is hereby authorized to fix a rate of levy annually to meet and defray the current general expenses of the county and to pay a portion of the principal and interest on bonds issued under the authority of K.S.A. 12-1774, and amendments thereto, by any city located in such county, subject to limitations prescribed according to the assessed tangible valuation or a total population as follows:

Less than \$13,000,000 or having a population of less than 3,500	6.50 mills
\$13,000,000 to \$30,000,000	4.25 mills
Over \$30,000,000 to \$140,000,000	3.50 mills
Over \$140,000,000	4.25 mills

Except that in any such county which adjoins a military reservation and which has an assessed taxable tangible valuation of less than \$100,000,000 such rate of levy may, except as hereinafter provided, be increased not to exceed 1½ mills. Before any county shall increase any levy under the provisions of the foregoing proviso the board of county commissioners shall publish a notice of its intention to make such increase in the levy. Such notice shall be published once each week for two consecutive weeks in the official county newspaper and if within 60 days next following the last publication of such notice a petition signed by electors of the county equal in number to not less than 5% of the total electors of such county is filed in the office of the county election officer requesting an election upon such prop-

osition, no such increased levy shall be made without such proposition having been submitted to and approved by a majority of the electors of the county voting at an election called and held thereon. All such elections shall be noticed, called and held in the manner prescribed in K.S.A. 10-120, and amendments thereto.

History: L. 1933, ch. 309, § 2; L. 1935, ch. 302, § 1; L. 1939, ch. 320, § 1; L. 1941, ch. 370, § 2; L. 1945, ch. 348, § 1; L. 1951, ch. 481, § 1; L. 1955, ch. 402, § 1; L. 1957, ch. 490, § 1; L. 1965, ch. 518, § 1; L. 1967, ch. 491, § 1; L. 1971, ch. 301, § 1; L. 1973, ch. 393, § 29; L. 1974, ch. 431, § 1; L. 1979, ch. 52, § 197; L. 1990, ch. 66, § 56; May 31.

79-1947. Limitation on tax levies by counties. The authority of the board of county commissioners of any county to fix a rate of levy annually for the following county purposes, is hereby limited as follows:

Roads and bridges (not under county unit system): Construction, reconstruction, improvement, repair, maintenance, and acquisition of rights-of-way	5.00 mills
Roads and bridges (under the county unit system): Construction, reconstruction, improvement, repair, maintenance, and acquisition of rights-of-way	10.00 mills
Library: Establish and maintain, as authorized by K.S.A. 12-1220, or contract for library service as authorized by K.S.A. 12-1230	1.50 mills
Library: Establish and maintain within counties designated as an urban area as permitted by section 17 of article 2 of the constitution of the state of Kansas, as authorized by K.S.A. 12-1220 or contract for library service as authorized by K.S.A. 12-1230	2.00 mills
Extraordinary expense: As authorized by K.S.A. 19-236	2.50 mills
Stream: Maintenance, as authorized by K.S.A. 82a-308 .....	.50 mill
Memorials: Establish, as authorized by K.S.A. 73-406	2.00 mills
Memorials: Maintenance, as authorized by K.S.A. 73-407 .....	.50 mill
Memorials: Erection and equipment, as authorized by K.S.A. 73-427 .....	.50 mill
Parks: Establishment and maintenance, as authorized by K.S.A. 19-2803 .....	.50 mill
Agriculture extension: Authorized by K.S.A. 2-610:	
Counties having an assessed valuation of more than \$40,000,000	1.50 mills
or a rate sufficient to provide \$80,000, whichever amount is greater;	
Counties having an assessed valuation of not less than \$30,000,000 and not more than \$40,000,000	2.00 mills
or a rate sufficient to provide \$75,000, whichever amount is greater;	
Counties having an assessed valuation of less than \$30,000,000	2.50 mills
Airport: Joint operation, authorized by K.S.A. 3-121 .....	.50 mill
Cemetery: Maintenance, authorized by K.S.A. 19-3105 .....	.25 mill
Cemetery: Abandoned, maintenance, authorized by K.S.A. 19-3106 .....	.10 mill
Depository bank failure: Authorized by K.S.A. 19-2636	1.00 mill
Economic development: Authorized by K.S.A. 19-4102 .....	.50 mill
Flood control: Maintenance, authorized by K.S.A. 19-3305	1.00 mill
Geological survey: Authorized by K.S.A. 76-326a .....	.10 mill
Highways: County connecting links, authorized by K.S.A. 68-582	1.00 mill
Hospital: Authorized by K.S.A. 19-4606 ..	2.00 mills
Lake and recreational grounds: Authorized by K.S.A. 19-2803e .....	.50 mill
Lighting of highways and bridges: Authorized by K.S.A. 68-166 .....	.10 mill
Memorial buildings: Authorized by K.S.A. 73-407 .....	.75 mill
Mental health centers: Operation, authorized by K.S.A. 19-4004	2.00 mills
Mental retardation services: Authorized by K.S.A. 19-4004	2.00 mills
Buildings and facilities: Authorized by K.S.A. 19-4004	1.00 mill
Mental health services: Contract: Authorized by K.S.A. 19-4011	2.00 mills

Contract: Mentally retarded: Authorized by K.S.A. 19-4011	2.00 mills
Mental health clinics: Operation: Authorized by K.S.A. 65-212	2.00 mills
Mental health clinics: Special fund for acquisition, construction and repairing: Authorized by K.S.A. 65-212	1.00 mill
Mental health clinics: Authorized by K.S.A. 65-215	2.00 mills
Noxious weeds: Authorized by K.S.A. 2-1318	1.00 mill
Deficiency levy for chemicals and materials .....	.50 mill
Soil drifting fund: Authorized by K.S.A. 2-2007	1.00 mill

Such rates or amounts are not intended to and shall not be construed to apply to counties not specifically authorized by law to make such levies.

History: L. 1933, ch. 309, § 3; L. 1941, ch. 370, § 3; L. 1943, ch. 292, § 1; L. 1945, ch. 348, § 2; L. 1947, ch. 444, § 1; L. 1951, ch. 482, § 1; L. 1951, ch. 483, § 3; L. 1951, ch. 485, § 19; L. 1951, ch. 484, § 2; L. 1953, ch. 424, § 1; L. 1955, ch. 402, § 2; L. 1957, ch. 491, § 1; L. 1959, ch. 377, § 2; L. 1961, ch. 442, § 1; L. 1965, ch. 518, § 2; L. 1967, ch. 491, § 2; L. 1970, ch. 100, § 45; L. 1973, ch. 392, § 1; L. 1974, ch. 432, § 1; L. 1974, ch. 433, § 1; L. 1975, ch. 162, § 39; L. 1975, ch. 163, § 4; L. 1976, ch. 424, § 1; L. 1977, ch. 332, § 1; L. 1978, ch. 398, § 1; L. 1982, ch. 403, § 1; L. 1982, ch. 402, § 1; L. 1982, ch. 404, § 1; L. 1984, ch. 352, § 1; L. 1987, ch. 381, § 1; L. 1988, ch. 378, § 2; July 1.

79-1947b. Limitation on tax levies by counties; election required to increase certain levies for homes for aged; exemption from aggregate tax levy limits. No levy in excess of $\frac{1}{2}$ mill shall be made by any county under the provisions of K.S.A. 19-2106a, and amendments thereto, for the operation, maintenance and repair of a home for the aged without the question of levying the same having been submitted to and been approved by a majority of the electors of the county voting at an election called and held for such purpose. All such elections shall be noticed, called and held in the manner provided for in K.S.A. 10-120, and amendments thereto. The increase in any tax levy authorized by any such election shall not be subject to or within any aggregate tax levy limit prescribed by law.

History: L. 1974, ch. 432, § 2; L. 1990, ch. 66, § 57; May 31.

79-1948. Limitation on certain tax levies in commission governed cities of 128,000 or more. The governing body of any city of the first class having a population by the official state census of one hundred twenty-eight thousand (128,000) or more and operating under the commission form of government law is hereby authorized and empowered to levy taxes in each year for the general fund and other city purposes, but said governing body shall not fix a rate of levy in any one year on each dollar of assessed tangible valuation of any city for any of the following-named purposes in excess of the following-named rates:

Judgments	0.50 mill
Airport: Joint, as provided by K.S.A. 3-121	0.50 mill
Highway connecting link: County secondary as provided by K.S.A. 68-582	1.00 mill
Industrial development: As provided by K.S.A. 12-1617h	1.00 mill
Memorial building: As provided by K.S.A. 73-407	0.50 mill
Noxious weeds: As provided by K.S.A. 2-1318	1.00 mill
Deficiency levy for chemicals and materials	0.50 mill

History: L. 1933, ch. 309, § 4; L. 1933, ch. 118, § 1 (Special Session); L. 1941, ch. 370, § 5; L. 1943, ch. 293, § 1; L. 1949, ch. 468, § 1; L. 1951, ch. 486, § 1; L. 1953, ch. 425, § 1; L. 1955, ch. 403, § 1; L. 1959, ch. 378, § 1; L. 1961, ch. 443, § 1; L. 1970, ch. 77, § 11; L. 1973, ch. 393, § 30; L. 1975, ch. 494, § 33; L. 1977, ch. 333, § 2; July 1.

79-1949. Limitation on certain tax levies in cities over 150,000. The governing body of any city of the first class having a population by the official state census of more than one hundred fifty thousand (150,000) is hereby authorized and empowered to levy taxes in each year for the general fund and other city purposes, but said governing body shall not fix a rate of levy in any one year on each dollar of assessed tangible valuation of any such city for any of the following-named purposes in excess of the following-named rates:

Airport: Joint as provided by K.S.A. 3-121	0.50 mill
Highway connecting link: County secondary as provided by K.S.A. 68-582	1.00 mill
Industrial development: As provided by K.S.A. 12-1617h	1.00 mill
Memorial buildings: As provided by K.S.A. 73-407	0.50 mill
Noxious weeds: As provided by K.S.A. 2-1318	1.00 mill
Deficiency levy for chemicals and materials	0.50 mill

History: L. 1933, ch. 309, § 5; L. 1935, ch. 111, § 2; L. 1939, ch. 321, § 1; L. 1941, ch. 370, § 6; L. 1945, ch. 349, § 1; L. 1947, ch. 446, § 1; L. 1953, ch. 426, § 1; L. 1970, ch. 77, § 12; L. 1973, ch. 393, § 31; L. 1975, ch. 494, § 34; L. 1977, ch. 333, § 3; July 1.

Cross References to Related Sections:

Aggregate tax levy limitation, see 79-5001 et seq.
Limitation on levies, see Kan. Const., art. 12, § 5(b), 12-137 et seq.
Temporary suspension of limitations, see 79-1973.

1950. Limitation on certain tax levies in cities between 60,000 and 130,000. The governing body of any city of the first class having a population by the official state census of more than sixty thousand (60,000) and less than one hundred thirty thousand (130,000) is hereby authorized and empowered to levy taxes in each year for the general fund and other city purposes, but said governing body shall not fix a rate of levy in any one year on each dollar of assessed tangible valuation of any such city for any of the following-named purposes in excess of the following-named rates:

Airport: Joint, as provided by K.S.A. 3-121	0.50 mill
Highway connecting link: County secondary as provided by K.S.A. 68-582	1.00 mill
Industrial development: As provided by K.S.A. 12-1617h	1.00 mill
Memorial buildings: As provided by K.S.A. 73-407	0.50 mill
Noxious weeds: As provided by K.S.A. 2-1318	1.00 mill
Deficiency levy for chemicals and materials	0.50 mill

History: L. 1933, ch. 309, § 6; L. 1935, ch. 303, § 1; L. 1937, ch. 361, § 2; L. 1941, ch. 370, § 7; L. 1945, ch. 350, § 1; L. 1947, ch. 447, § 1; L. 1949, ch. 469, § 1; L. 1951, ch. 487, § 1; L. 1953, ch. 427, § 1; L. 1955, ch. 404, § 1; L. 1957, ch. 492, § 1; L. 1959, ch. 379, § 1; L. 1961, ch. 444, § 1; L. 1970, ch. 77, § 13; L. 1973, ch. 393, § 32; L. 1975, ch. 494, § 35; L. 1977, ch. 333, § 4; July 1.

79-1950a. General and special improvement levies in lieu of bond issues in certain cities of first-class. In order to enable cities of the first class having a population by the official state census of more than sixty-five thousand (65,000) and less than one hundred thirty-five thousand (135,000) and any city of the first class having a population of not less than ten thousand (10,000) and not more than fifty-five thousand (55,000) and operating under the city manager form of government and any city of the first class operating under the mayor-council form of government to pay cash in lieu of issuing bonds for the cost of general improvements or the city's share of the cost of special improvements, the governing bodies of said cities are hereby authorized to levy annually not to exceed three (3) mills on each dollar of assessed tangible valuation of such city for such purposes and such tax levy may be levied outside of the aggregate limit prescribed by article 19 of chapter 79 of the Kansas Statutes Annotated.

History: L. 1941, ch. 370, § 8; L. 1943, ch. 294, § 1; L. 1945, ch. 351, § 1; L. 1947, ch. 448, § 1; L. 1949, ch. 470, § 1; L. 1957, ch. 88, § 17; L. 1963, ch. 470, § 1; L. 1967, ch. 492, § 1; July 1.

Source or prior law:
79-1950.

79-1950b. Special improvement fund in cities of more than 200,000; tax levies; reimbursement; budget requirements. Any city of the first class having a population of more than two hundred thousand (200,000) proposing to make any improvement the cost of which will

be paid by the issuance of temporary notes or improvement bonds may by ordinance establish a "special improvement fund" in the city treasury and levy annually not to exceed one-tenth (1/10) mill on the assessed taxable tangible property of the city for the purposes of such fund. The levy herein authorized shall be in addition to and not limited by any other act authorizing or limiting the tax levies of any such city. Such fund may be used to pay the preliminary costs of preparing plans, studies, engineering reports, publication costs and other miscellaneous costs of such improvements when ordered by the governing body and until temporary notes or improvement bonds shall have been issued and sold: *Provided*, That such fund shall be reimbursed from the proceeds of such improvement bond funds or temporary notes: *Provided further*, The special improvement fund shall not exceed an amount equal to that which may be raised by such levy during a period of two (2) years. Such fund need not be budgeted for expenditure during the year but the amount thereof shall be stated in the published budget of expenditure.

History: L. 1967, ch. 492, § 2; July 1.

79-1951. Limitation on certain tax levies in cities of less than 50,000. The governing body of any city of the first class having a population by the official state census of less than fifty thousand (50,000) is hereby authorized and empowered to levy taxes in each year for the general fund and other city purposes, but said governing body shall not fix a rate of levy in any one year on each dollar of assessed tangible valuation of any such city for any of the following-named purposes in excess of the following-named rates:

Judgments	0.50 mill
Library	2.00 mills
Airport: As provided by K.S.A. 3-121	0.50 mill
Industrial fund: As authorized by K.S.A. 12-1617h	1.00 mill
Highway connecting link: County secondary as provided by K.S.A. 68-582	1.00 mill
Memorial buildings: As provided by K.S.A. 73-407	0.50 mill
Noxious weeds: As provided by K.S.A. 2-1318	1.00 mill
Deficiency levy for chemicals and materials	0.50 mill

History: L. 1933, ch. 309, § 7; L. 1941, ch. 370, § 9; L. 1947, ch. 449, § 1; L. 1949, ch. 471, § 1; L. 1951, ch. 488, § 1; L. 1951, ch. 485, § 20; L. 1951, ch. 484, § 3; L. 1955, ch. 405, § 1; L. 1959, ch. 380, § 1; L. 1961,

ch. 445, § 1; L. 1970, ch. 77, § 14; L. 1973, ch. 393, § 33; L. 1975, ch. 494, § 36; L. 1977, ch. 333, § 5; July 1.

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79-1952. Limitation on certain tax levies in cities of second class. The governing body of any city of the second class is hereby authorized and empowered to levy taxes in each year for the general fund and other city purposes, but said governing body shall not fix a rate of levy in any one year on each dollar of assessed tangible valuation of any such city for any of the following-named purposes in excess of the following-named rates:

Library	3.00 mills
Airport: Joint operation as provided by K.S.A. 3-121 .....	.50 mill
Highway connecting link: County secondary as provided by K.S.A. 68-582	1.00 mill
Industrial development: As provided by K.S.A. 12-1617h	1.00 mill
Memorial buildings: As provided by K.S.A. 73-407 .....	.50 mill
Noxious weeds: As provided by K.S.A. 2-1318	1.00 mill
Deficiency levy for chemicals and materials .....	.50 mill
Refuse collection: As provided by K.S.A. 12-2104	1.00 mill

History: L. 1933, ch. 309, § 8; L. 1937, ch. 362, § 2; L. 1941, ch. 370, § 10; L. 1943, ch. 297, § 1; L. 1945, ch. 101, § 2; L. 1947, ch. 450, § 1; L. 1949, ch. 472, § 1; L. 1951, ch. 489, § 1; L. 1951, ch. 485, § 21; L. 1951, ch. 484, § 4; L. 1953, ch. 428, § 1; L. 1963, ch. 471, § 1; L. 1970, ch. 81, § 18; L. 1973, ch. 393, § 34; L. 1975, ch. 494, § 37; L. 1977, ch. 333, § 6; July 1.

79-1953. Limitation on certain tax levies in cities of third class; use of library fund in cities of more than 2,000. The governing body of any city of the third class is hereby authorized and empowered to levy taxes in each year for the general fund and other city purposes, but said governing body shall not fix a rate of levy in any one (1) year on each dollar of assessed tangible valuation of any such city for any of the following-named purposes in excess of the following-named rates:

Library fund	2.00 mills
Airport: Joint, maintenance and operation, as provided by K.S.A. 3-121	0.50 mill
Highway connecting link: County secondary as provided by K.S.A. 68-582	1.00 mill
Industrial development: As provided by K.S.A. 12-1617h	1.00 mill
Memorial buildings: As provided by K.S.A. 73-407	0.50 mill
Noxious weed eradication: As provided by K.S.A. 2-1318	1.00 mill
Deficiency levy for chemicals and materials	0.50 mill

Any city of the third class having a population of more than two thousand (2,000) and located in a county having a population of more than four thousand five hundred (4,500) and less than six thousand (6,000) and which county has an assessed tangible valuation of more than twenty-nine million dollars (\$29,000,000) is hereby authorized to make use of part of its library fund for the operation and maintenance of a library facility and may deposit the balance of said levy in a sinking fund for the future construction and equipment of a library building, which fund may be used for the purposes of purchasing a site, construction and equipping a library building, the paying of architectural fees, and other expenses incidental to the construction of said library building; and the governing body of any such city may invest said sinking fund in direct obligations of the United States government, which mature or are redeemable without loss of principal within one year from date of purchase, the principal and interest whereof are guaranteed by the government of the United States, or in such city's temporary notes issued pursuant to K.S.A. 10-123; and all earnings from such investments shall be credited to the said library fund.

History: L. 1933, ch. 309, § 9; L. 1935, ch. 304, § 1; L. 1939, ch. 322, § 1; L. 1941, ch. 370, § 11; L. 1945, ch. 352, § 1; L. 1947, ch. 119, § 2; L. 1949, ch. 473, § 1; L. 1951, ch. 485, § 22; L. 1951, ch. 484, § 1; L. 1958,

1962. Limitation upon levy of taxes on townships. (a) The governing body of any township is hereby authorized and empowered to levy taxes in each year for township purposes but the governing body shall not fix a rate of levy in any one year on each dollar of assessed tangible valuation of such township in excess of the following-named rates:

Ambulance service: As authorized by K.S.A. 80-1425	3 mills
General fund .....	.50 mill
Judgments	1.00 mill
Establishing and maintenance of free library and reading room	1.00 mill
Such one-mill levy is subject to increase as hereinafter provided.	
Free band concerts .....	.25 mill
Free band concerts when authorized by an election .....	.50 mill
To acquire land for a cemetery or park ...	1.00 mill
Maintenance of a cemetery or park	1.00 mill
To acquire a site and build a cemetery chapel	2.00 mills
Fire protection, joint with cities or townships	1.00 mill
Extermination of prairie dogs	1.00 mill
Cemeteries: As authorized by K.S.A. 12-1403	1.00 mill
Cemeteries: As authorized by K.S.A. 12-1405	1.00 mill
Cemeteries: As authorized by K.S.A. 80-932 .....	.10 mill
Fire department: As authorized by K.S.A. 80-1903	2.00 mills
Townships in counties between 150,000 and 250,000	4.00 mills
Fire department: As authorized by K.S.A. 80-1916	3.00 mills
Fire department: As authorized by K.S.A. 80-1921	3.00 mills
Fire department: As authorized by K.S.A. 80-1537	3.00 mills
Garbage and trash fund: As authorized by K.S.A. 80-2201:	
First year of levy	1.00 mill
Second year and thereafter .....	.50 mill
Garbage and trash disposal: As authorized by K.S.A. 80-2204 .....	.50 mill
Halls and buildings: As authorized by K.S.A. 80-115	2.00 mills
Noxious weeds: As authorized by K.S.A. 2-1318	1.00 mill
Deficiency levy for chemicals .....	.50 mill
Parks and cemeteries: Maintenance as authorized by K.S.A. 80-903	2.00 mills
Police protection by sheriff's deputies: As authorized by K.S.A. 19-807d	1.00 mill
Roads: As authorized by 68-518c	5.00 mills
Townships in counties between 175,000 and 275,000	7.00 mills

Such rates are not intended to, and shall not be construed to apply to any township not specifically authorized by law to make such levy.

(b) The townships of Garfield and Pierceville in Finney county, Kansas, are hereby authorized to levy an annual tax upon all taxable tangible property in the respective townships of not to exceed three mills for the purpose of paying for fire protection.

(c) The levy for establishing and maintaining a free library and reading room may be increased from one mill to not more than 2.50 mills. Before any township increases this levy the township board shall publish a notice of its intention to make such increase. Such no-

tice shall be published once each week for two consecutive weeks in the official county newspaper and if within 60 days following the last publication of such notice a petition signed by electors of the township equal in number to not less than 5% of the total electors of such township is filed in the office of the county election officer requesting an election upon such proposition, no such increased levy shall be made without such proposition having been submitted to and approved by a majority of the electors of the township voting at an election called and held thereon. All such elections shall be noticed, called and held in the manner prescribed in K.S.A. 10-120, and amendments thereto.

History: L. 1933, ch. 309, § 18; L. 1933, ch. 75, § 1; L. 1939, ch. 323, § 1; L. 1941, ch. 370, § 20; L. 1943, ch. 298, § 1; L. 1945, ch. 358, § 1; L. 1947, ch. 453, § 1; L. 1949, ch. 475, § 2; L. 1951, ch. 491, § 1; L. 1951, ch. 485, § 23; L. 1951, ch. 484, § 5; L. 1963, ch. 478, § 3; L. 1970, ch. 385, § 13; L. 1977, ch. 334, § 1; L. 1984, ch. 353, § 1; L. 1985, ch. 318, § 1; L. 1986, ch. 388, § 1; L. 1986, ch. 376, § 1; L. 1986, ch. 377, § 1; L. 1987, ch. 394, § 1; July 1.

Source of prior law:



"Service to County Government"

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Executive Director

John T. Torbert, CAE

September 30, 1993

Testimony

To: Senate Assessment and Taxation Committee

**From: John T. Torbert, CAE
Executive Director**

Subject: Repeal of Individual Fund Levy Limits

The Kansas Association of Counties supports legislation that would repeal the individual fund levy limits now in place in statute.

With the advent of reappraised values in the late 1980's, the legislature made the decision not to continue to use individual fund levy limits. It was the legislature's fear that with the advent of the new reappraised values, values on a statewide basis would increase greatly. The legislature sought to prevent local governments from gaining the full benefit of the new reappraised values by enacting a lid on the total dollars levied - what is now known as the aggregate tax lid. You have continued to use that approach since then.

The problem that we have is that when the aggregate lid approach was adopted, the individual fund levy limits were not repealed - they were merely suspended. I don't know the legislative history of why the individual limits were not repealed at that time but my guess is that it was simply easier to suspend the limits than it was to go through the statute books and repeal all of them.

This year, during the debate on the new tax lid, there was consideration given to doing away with the aggregate dollar lid and going to a system of self-imposed property tax limits. I don't want to get into a debate at this point about our position on property tax limits. You are well aware that we don't agree with them. But, if the legislature had not enacted a new tax lid bill this year, the suspended individual fund levy limits would have gone back into effect.

*Senate Assessment & Taxation
Sept 30, 1993
attach 9-1*

If these individual limits once again became law, the impact on counties would have been devastating. First of all, unlike cities, counties would have gone back to having limits on their general fund levies and road and bridge fund levies. Secondly, what has happened since the late 1980's is that counties have levied taxes (fully in compliance with the aggregate lid law) that exceeded the suspended fund levy limits. Bill Ervin, chief of the municipal accounting section, in a memo to Representative Keith Roe dated 3/25/93, estimated that 55 counties would lose general fund levy authority and that 43 counties would lose road fund levy authority. In some cases the impact would have been substantial. It was estimated for example that Johnson County would have lost \$9.6 million in general fund revenues and \$27.2 million in road and bridge fund revenues. Mr. Ervin also noted in his memo that a return to fund levy limits would result in "counties using more special funds, thus complicating the budgeting and accounting system." The use of multiple funds is one that is frowned upon by the professionals in the accounting profession.

In our opinion, because of the reasons noted above, any return to individual fund levy limits would be step backwards. They no longer have relevance to the operation of local government as it exists today. Levy limits on individual funds act to tie the hands of local officials by restricting their ability to raise and spend revenue according to the needs of their respective jurisdictions - an impact that I would hope the legislature would not choose to pursue.

Once we have an actual bill draft implementing this idea, on behalf of the association, I would strongly urge your support for this legislation.

lvyrpl

TAX LID AND PROPOSAL TO ELIMINATE FUND LEVY RATE LIMITS
SENATE ASSESSMENT AND TAXATION COMMITTEE
William L. Ervin, Municipal Accounting Section
September 30, 1993

Thank you for the opportunity to discuss the tax lid and the proposal to eliminate fund levy rate limits.

Review of Tax Lid Provisions

There are really two pieces to the tax lid law which had its last major amendment in 1990. The piece with the biggest effect is the tax lid itself, referred to in Kansas law as the "aggregate levy limit." Cities, counties, townships, Washburn, and community colleges are covered by the tax lid which limits the amount of ad valorem taxes they may levy. (Generally, all levies are subject to the tax lid unless the law specifically exempts them.) The major provisions of the law are:

The tax lid is based on the tax levies for either 1988 or 1989.

Adjustments are allowed for increased personal property and new improvements to real estate.

Taxes levied for the following purposes are exempt from the tax lid: bond and interest, no fund warrants, tort liability and judgments, employee benefits, district court operating costs, juvenile detention facilities operating costs, and out-district tuition. There is also a tax lid exemption to compensate for motor vehicle tax revenue decreases.

Municipalities can also make levies outside the tax lid by voter approval or by chartering out from the tax lid. The chartering out method is subject to a protest petition and possible election.

Taxing subdivisions which are not subject to the tax lid (these taxing subdivisions levy about four percent of all property taxes) are subject to fund levy limits. Examples of fund levy limited units are sewer, hospital, cemetery, watershed, and drainage districts.

The mill levy limits (one mill for Fund A, two mills for Fund B, etc.) were suspended by 1985 and 1988 amendments, and dollar levy limits (\$800 for Fund A, \$1,200 for Fund B, etc.) were substituted, using 1988 limits as the base. The purpose of this suspension was to prevent a "tax windfall" which would result if the reappraisal property values were higher than the pre-reappraisal property values.

The Effect of the Tax Lid Law 1988-1992

We believe the tax lid law has been effective in limiting taxes levied by municipalities, see Attachment 1. Another result of living under the tax lid rules since 1988-1989 has been the realization that we can probably do without most fund levy rate limits. The fund levy rate suspension has created few problems. We believe this indicates that statutory fund levy rate limits are not needed. As the tax lid law has sunsetted, been renewed, sunsetted again, and been renewed again, there are continuing

concerns about what would happen if the tax lid law were to be changed in a way that would re-activate the fund levy rate limits. During the early 1993 Session, we were requested to provide possible results of reverting to the fund levy rate limits and repealing the tax lid. Much of the following is taken from our January 1993 research.

Effect of Reverting to Statutory Fund Levy Rate Limits

The following discussion concerns what is likely to happen to the five major types of municipalities (excluding U.S.D.s) if statutory fund levy rate limits are used and aggregate limits (tax lids) are not used.

Cities would basically be unlimited except for a few very small levies. Typically, a city levies for the general, employee benefits, and bond and interest funds. These three levies have no historical statutory fund levy rate limits. There are, however, historical fund levy rate limits for such functions as libraries and airports.

Community Colleges will be in generally the same situation as the cities.

Townships could be placed in a difficult position. They do not have home rule authority to exempt themselves from the current fund levy limits of K.S.A. 79-1962, so they would be limited by them. About 30 counties have lost valuation since reappraisal--thus, these townships will lose overall taxing power from the 1988 levels. The other 75 townships will have at least the same amount of taxing power as in 1988. Additional taxing power would depend on the amount of valuation increases.

Special Districts will be in about the same situation as the townships.

Counties would be impacted if they have not used home rule to exempt themselves from the fund levy limits in K.S.A. 79-1946 and K.S.A. 79-1947. Attachment 2 shows the effect on the general and road funds, the largest county funds under the tax lid. The SUMMARY(S) on the last page of Attachment 2 show that 55 counties would lose some general fund levy authority, and 43 would lose some road fund levy authority. A probable result is that counties would be forced to use more special funds, thus complicating their accounting and budgeting systems.

The CURR RATE (current rate) is what the counties used in setting their 1992 tax levies for the two funds. The STAT RATE (statutory rate) is what the counties would revert to if the statutory fund levy rate limits were re-activated. For both the General Fund and the Road/Bridge Fund, we multiplied the difference--from CURR RATE to STAT RATE--by the 1992 VALUATION to compute the difference in ad valorem tax. For example, if Allen County's levy rate for its General Fund goes from 2.424 mills to 3.5 mills, the difference (1.076 mills) times the \$53,773,265 valuation computes to \$57,860.

Authorized Funds for Cities and Counties

In 1933, Kansas was in a situation similar to our situation today in deciding what to do about all the individual fund levy rate limits. A June 25, 1962 Memorandum of the Research Department, Kansas Legislature Council, included the following statement:

"The modern problem of tax levy limitations thus begins with the passage of the general tax levy limitation law of 1933, Ch. 309, laws of 1933. This replaced an unsystematic patchwork of levy limits by repealing nearly 125 separate citations from the General Statutes of 1923. The 1933 law authorized a list of specified levies for the tax funds of each political subdivision and added an over-all limitation on the aggregate of all such levies, except levies for bonds or interest payments which were left outside the aggregates."

Today, both cities and counties have at least 125 authorized funds scattered throughout the statutes. Of these authorized funds, cities can levy in 84, and counties can levy in 96. This system results in a large number of funds and complicated accounting and budgeting systems. This trend conflicts with Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board:

"Governmental units should establish and maintain those funds required by law and sound financial administration. Only the minimum number of funds consistent with legal and operating requirements should be established, however, because unnecessary funds result in inflexibility, undue complexity, and inefficient financial administration."

Proposed Elimination of Statutory Fund Levy Rate Limits

From an accounting standpoint, we support legislation--as proposed by the League of Kansas Municipalities and the Kansas Association of Counties--to allow expanded use of the general fund and elimination of the statutory fund levy rate limits for cities and counties. This would enable governing bodies to manage the resources more efficiently and simplify their accounting and budgeting systems.

The proposals would also amend K.S.A. 79-1962 to allow townships to use a charter resolution, subject to protest petition, to exempt themselves from road, cemetery, and fire fund levy limits. This is needed because townships only have authority to charter the tax lid levy limits, and such action automatically re-activates the statutory fund levy rate limits for them.

Also from an accounting standpoint, we support further study of the idea of repealing unneeded fund authorizations. This streamlining of municipal accounting will enable citizens to better understand where their tax dollars, and other resources, are being used.

Summary

The current tax lid law has effectively controlled ad valorem levies. Reverting to the statutory fund levy rate limits--without first overhauling them--could bring chaos. Thus, from an accounting standpoint, we recommend eliminating the limits in K.S.A. 79-1946 through K.S.A. 79-1953 as a first step in simplifying municipal accounting and budgeting systems.

Statewide Ad Valorem Levies By Type of Taxing District for 1988 to 1992
(Amounts are presented in thousands)

	Ad Valorem Tax Levy Amounts For					Percent of Total 1992
	1988	1989	1990	1991	1992	
State	\$ 17,028	21,157	21,381	21,946	21,901	1.36%
County	332,584	365,658	372,746	392,833	413,545	25.72%
City	227,754	241,631	248,369	260,611	271,420	16.88%
Township	22,958	21,934	22,984	23,441	24,053	1.50%
USD	746,482	791,249	851,529	987,242	720,599	44.82%
Other Schools	79,119	73,122	77,740	82,973	90,610	5.64%
Other Districts	54,334	55,859	59,933	63,614	65,600	4.08%
Totals	\$ <u>1,480,259</u>	<u>1,570,610</u>	<u>1,654,682</u>	<u>1,832,660</u>	<u>1,607,728.00</u>	<u>100.00%</u>
Percent of Increase	6.3%	6.1%	5.4%	10.8%	-12.3%	
CPI Increase	4.2%	4.8%	5.4%	4.2%	3.0%	

The levy data was taken from the Department of Revenue's publication "Statistical Report of Property Assessment and Taxation."

10-4

8.6%

10-4

POSSIBLE EFFECTS OF COUNTIES REVERTING TO MILL LEVY RATE LIMITS

	1992 VALUATION	GENERAL FUND			ROAD/BRIDGE FUND		
		CURR RATE	STAT RATE	INCR (DECR)	CURR RATE	STAT RATE	INCR (DECR)
ALLEN	53,773,265	2.424	3.50	57,860	10.323	10.00	(17,369)
ANDERSON	37,708,720	5.558	3.50	(77,605)	17.009	10.00	(264,300)
ATCHISON	59,915,029	6.068	CR	N/A	7.851	CR	N/A
BARBER	54,035,797	1.029	CR	N/A	9.235	CR	N/A
BARTON	144,619,724	4.969	4.25	(103,982)	6.132 *	7.50	197,840
BOURBON	51,673,457	11.220	3.50	(398,919)	9.275 *	12.00	140,810
BROWN	50,055,096	11.391	3.50	(394,985)	9.811	5.00	(240,815)
BUTLER	218,076,574	5.205	4.25	(208,263)	4.921	CR	N/A
CHASE	21,950,370	5.316	6.50	25,989	14.661 *	12.00	(58,410)
CHAUTAUQUA	21,607,356	9.198	CR	N/A	18.497 *	15.00	(75,561)
CHEROKEE	75,534,501	4.967	3.50	(110,809)	8.926	10.00	81,124
CHEYENNE	27,493,225	3.620	6.50	79,180	10.520	10.00	(14,296)
CLARK	28,887,707	7.453	4.25	(92,527)	17.611 *	11.00	(190,977)
CLAY	40,353,571	3.854	3.50	(14,285)	15.441	5.00	(421,332)
CLOUD	43,777,597	12.818	3.50	(407,920)	20.271	CR	N/A
COFFEY	537,388,537	2.663	CR	N/A	9.746	CR	N/A
COMANCHE	25,171,509	12.238	6.50	(144,434)	11.684	10.00	(42,389)
COWLEY	144,272,896	4.690	4.25	(63,480)	5.370	5.00	(53,381)
CRAWFORD	105,483,521	8.689 *	5.00	(389,129)	8.689	10.00	138,289
DECATUR	26,546,444	9.567	6.50	(81,418)	2.713	5.00	60,712
DICKINSON	80,784,312	5.793 *	7.00	97,507	4.967	5.00	2,666
DONIPHAN	34,947,213	9.214	3.50	(199,688)	9.416	10.00	20,409
DOUGLAS	374,876,043	7.903 *	10.50	973,553	2.324	5.00	1,003,168
EDWARDS	34,957,710	13.286	3.50	(342,096)	4.089	5.00	31,846
ELK	17,543,316	11.145	6.50	(81,489)	21.077 *	15.00	(106,611)
ELLIS	142,095,703	11.310	4.25	(1,003,196)	2.003 *	13.00	1,562,626
ELLSWORTH	56,068,859	1.755	3.50	97,840	13.074	CR	N/A
FINNEY	284,044,243	8.270	CR	N/A	8.270	10.00	491,397
FORD	150,269,654	6.479	CR	N/A	3.997	CR	N/A
FRANKLIN	83,871,500	5.595	3.50	(175,711)	7.872	10.00	178,479
GEARY	87,853,285	9.071 *	6.00	(269,797)	2.500	10.00	658,900
GOVE	32,282,146	5.784	3.50	(73,732)	9.586	10.00	13,365
GRAHAM	36,945,819	10.659	CR	N/A	19.342	CR	N/A
GRANT	250,273,314	3.270	4.25	245,268	7.730	10.00	568,120
GRAY	44,203,640	9.762	3.50	(276,803)	18.541	10.00	(377,543)
GREELEY	27,544,957	4.435	6.50	56,880	8.279	10.00	47,405
GREENWOOD	43,174,535	12.938	CR	N/A	15.044	CR	N/A
HAMILTON	41,382,562	9.310	CR	N/A	9.750	CR	N/A
HARPER	49,090,182	14.421	CR	N/A	13.569	10.00	(175,203)

CR - county has a charter resolution exempting it from fund levy limit.

* - county has a CR setting a new levy limit.

N/A - Not Applicable. The CR of these counties provide for unlimited mill levy rates.

POSSIBLE EFFECTS OF COUNTIES REVERTING TO MILL LEVY RATE LIMITS

	1992 VALUATION	GENERAL FUND			ROAD/BRIDGE FUND		
		CURR RATE	STAT RATE	INCR (DECR)	CURR RATE	STAT RATE	INCR (DECR)
HARVEY	126,029,397	14.462	CR	N/A	5.486	5.00	(61,250)
HASKELL	114,477,189	4.680	3.50	(135,083)	10.000	10.00	0
HODGEMAN	25,255,419	15.832	6.50	(235,684)	16.980	10.00	(176,283)
JACKSON	41,255,009	6.460	3.50	(122,115)	14.801	10.00	(198,065)
JEFFERSON	63,432,710	0.017	CR	N/A	7.043	10.00	187,571
JEWELL	26,371,682	6.650	CR	N/A	19.967	10.00	(262,847)
JOHNSON	2,718,930,065	7.778	4.25	(9,592,385)	0.000	10.00	27,189,301
KEARNY	178,172,609	2.328	4.25	342,448	7.848	10.00	383,427
KINGMAN	68,850,777	5.975	3.50	(170,406)	6.525	5.00	(104,997)
KIOWA	49,678,128	5.801	3.50	(114,309)	5.801	10.00	208,598
LABETTE	71,554,040	2.435	CR	N/A	9.904 *	12.00	149,977
LANE	25,991,268	13.130	CR	N/A	8.999	CR	N/A
LEAVENWORTH	201,996,455	3.880	CR	N/A	2.668	10.00	1,481,038
LINCOLN	23,718,380	8.122	CR	N/A	23.381	10.00	(317,376)
LINN	132,099,219	3.897	3.50	(52,443)	7.619	10.00	314,528
LOGAN	26,646,060	8.461	CR	N/A	3.359	5.00	43,726
LYON	127,525,613	7.985	CR	N/A	12.441	10.00	(311,290)
MARION	58,604,671	2.698	3.50	47,001	10.416	10.00	(24,380)
MARSHALL	53,623,009	0.092	3.50	182,747	20.054 *	20.62	30,351
MCPHERSON	158,557,311	7.355	4.25	(492,320)	15.918	5.00	(1,731,129)
MEADE	58,280,884	6.829	3.50	(194,017)	10.000	5.00	(291,404)
MIAMI	99,328,794	8.786	3.50	(525,052)	7.359	10.00	262,327
MITCHELL	33,689,574	8.726	3.50	(176,062)	4.733	5.00	8,995
MONTGOMERY	140,677,289	10.577	4.25	(890,065)	6.292	10.00	521,631
MORRIS	34,038,218	2.917	CR	N/A	22.750	10.00	(433,987)
MORTON	107,065,955	4.710	3.50	(129,550)	6.220	10.00	404,709
NEMAHA	50,531,757	7.444	3.50	(199,297)	16.426	5.00	(577,376)
NEOSHO	55,451,798	4.138	3.50	(35,378)	9.938 *	12.00	114,342
NESS	48,239,285	8.473	3.50	(239,894)	13.771	10.00	(181,910)
NORTON	27,429,605	11.251	6.50	(130,318)	12.636	10.00	(72,304)
OSAGE	58,691,011	0.712	3.50	163,631	3.428	5.00	92,262
OSBORNE	25,905,264	5.629	6.50	22,563	8.186	10.00	46,992
OTTAWA	32,958,568	8.868	3.50	(176,922)	16.076	10.00	(200,256)
PAWNEE	47,657,957	10.269	3.50	(322,597)	7.308	5.00	(109,995)
PHILLIPS	39,321,038	7.207	3.50	(145,763)	11.927 *	12.00	2,870
POTTAWATOMIE	272,543,324	20.694	4.25	(4,481,702)	0.000	10.00	2,725,433
PRATT	69,251,841	0.755	3.50	190,096	11.150	10.00	(79,640)
RAWLINS	30,301,712	3.925	CR	N/A	23.816	CR	N/A
RENO	288,457,151	6.637	4.25	(688,547)	4.675	5.00	93,749

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N/A - Not Applicable. The CR of these counties provide for unlimited mill levy rates.

POSSIBLE EFFECTS OF COUNTIES REVERTING TO MILL LEVY RATE LIMITS

	1992 VALUATION	GENERAL FUND			ROAD/BRIDGE FUND		
		CURR RATE	STAT RATE	INCR (DECR)	CURR RATE	STAT RATE	INCR (DECR)
REPUBLIC	34,262,621	7.379	3.50	(132,905)	16.531	10.00	(223,769)
RICE	70,591,496	6.327	3.50	(199,562)	15.920	5.00	(770,859)
RILEY	170,909,170	17.421	4.25	(2,251,045)	4.430	5.00	97,418
ROOKS	48,884,787	7.386	3.50	(189,966)	16.940	10.00	(339,260)
RUSH	32,297,962	13.455	CR	N/A	19.872 *	15.00	(157,356)
RUSSELL	61,381,838	0.000	3.50	214,836	8.227	5.00	(198,079)
SALINE	225,165,760	2.265 *	5.00	615,828	6.846	10.00	710,173
SCOTT	42,872,800	6.265	CR	N/A	6.100	10.00	167,204
SEDGWICK	2,017,959,768	8.972	CR	N/A	2.295	CR	N/A
SEWARD	164,089,484	2.072	CR	N/A	4.826	10.00	848,999
SHAWNEE	791,728,327	22.028	CR	N/A	3.504	5.00	1,184,426
SHERIDAN	28,745,809	8.001	CR	N/A	10.436	CR	N/A
SHERMAN	43,672,805	5.774	3.50	(99,312)	12.583 *	13.00	18,212
SMITH	28,119,431	9.071	4.25	(135,564)	18.862	10.00	(249,194)
STAFFORD	57,082,269	3.825	3.50	(18,552)	7.060	5.00	(117,589)
STANTON	63,694,111	13.170	CR	N/A	10.460	CR	N/A
STEVENS	269,373,980	2.370	4.25	506,423	5.430	10.00	1,231,039
SUMNER	109,942,668	8.924 *	4.50	(486,386)	10.262 *	7.00	(358,633)
THOMAS	59,709,631	2.650	3.50	50,753	3.640	5.00	81,205
TREGO	30,416,148	11.824	3.50	(253,184)	12.238	10.00	(68,071)
WABAUNSEE	33,840,565	2.970	3.50	17,935	8.470	5.00	(117,427)
WALLACE	21,550,391	13.068	CR	N/A	10.558 *	13.00	52,626
WASHINGTON	41,719,288	7.227 *	7.00	(9,470)	7.382	5.00	(99,375)
WICHITA	25,399,450	9.039	6.50	(64,489)	15.500	10.00	(139,697)
WILSON	41,168,390	15.248	3.50	(483,646)	17.173	20.00	116,383
WOODSON	23,542,412	10.584	CR	N/A	20.013	10.00	(235,730)
WYANDOTTE	609,535,759	3.943 *	6.00	1,253,815	0.000	10.00	6,095,358

SUMMARY OF GENERAL FUND

20 have more authority than levy
30 have CR exemption
55 will lose some general fund levy authority

SUMMARY OF ROAD FUND

48 have more authority than levy
14 have CR exemption
43 will lose some general fund levy authority

CR - county has a charter resolution exempting it from fund levy limit.

* - county has a CR setting a new levy limit.

N/A - Not Applicable. The CR of these counties provide for unlimited mill levy rates.

County	1991 TOTAL ASSESSED VALUATION	1992 TOTAL ASSESSED VALUATION	1992 Base Adjusted for Classification	1993 S Fin Est (92 Adj Base + 1.5% Growth)	1993 PRELIM ASSESSED VALUATION*	S Fin Est 92-93 Change in Ass Value	Actual 92-93 Change in Ass Value	92-93 Actual Above S Finance Est	Percent Above/Below S Fin Est
Allen	\$53,747,285	\$53,773,265	\$53,501,071	\$54,303,587	\$54,374,059	\$530,322	\$600,794	\$70,472	0.13%
Anderson	37,301,497	37,708,720	37,810,871	38,378,034	37,741,578	669,314	32,858	(636,456)	-1.66%
Atchison	58,704,444	59,915,029	59,120,383	60,007,189	59,826,855	92,160	(88,174)	(180,334)	-0.30%
Barber	56,771,256	54,035,797	53,609,183	54,413,321	51,149,228	377,524	(2,886,569)	(3,264,093)	-6.00%
Barton	150,854,907	144,619,724	141,923,842	144,052,700	139,922,952	(567,024)	(4,696,772)	(4,129,748)	-2.87%
Bourbon	51,266,910	51,673,457	50,256,669	51,010,519	50,366,463	(662,938)	(1,306,994)	(644,056)	-1.26%
Brown	50,001,334	50,055,096	49,513,025	50,255,720	49,132,280	200,624	(922,816)	(1,123,440)	-2.24%
Butler	219,361,615	218,076,574	211,913,010	215,091,705	228,736,135	(2,984,869)	10,659,561	13,644,430	6.34%
Chase	21,975,363	21,950,370	22,144,704	22,476,875	22,191,857	526,505	241,487	(285,018)	-1.27%
Chautauqua	21,386,575	21,607,356	21,689,332	22,014,672	22,029,903	407,316	422,547	15,231	0.07%
Cherokee	73,521,889	75,534,501	75,392,666	76,523,556	82,036,675	989,055	6,502,174	5,513,119	7.20%
Cheyenne	28,299,640	27,493,225	27,008,142	27,413,264	26,612,257	(79,961)	(880,968)	(801,007)	-2.92%
Clark	30,743,337	28,887,707	29,244,960	29,683,634	30,307,403	795,927	1,419,696	623,769	2.10%
Clay	40,294,223	40,353,571	39,773,201	40,369,799	40,744,910	16,228	391,339	375,111	0.93%
Cloud	44,130,884	43,777,597	43,734,330	44,390,345	44,359,197	612,748	581,600	(31,148)	-0.07%
Coffey	544,769,428	537,388,537	590,403,574	599,259,628	579,625,924	61,871,091	42,237,387	(19,633,704)	-3.28%
Comanche	27,200,366	25,171,509	25,013,476	25,388,678	25,659,784	217,169	488,275	271,106	1.07%
Cowley	143,067,820	144,272,896	142,310,657	144,445,317	144,013,717	172,421	(259,179)	(431,600)	-0.30%
Crawford	103,414,216	105,483,521	102,836,281	104,378,825	110,333,602	(1,104,696)	4,850,081	5,954,777	5.70%
Decatur	27,089,131	26,546,444	25,990,238	26,380,092	25,575,929	(166,352)	(970,515)	(804,163)	-3.05%
Dickinson	80,867,206	80,784,312	79,724,257	80,920,121	78,087,007	135,809	(2,697,305)	(2,833,114)	-3.50%
Doniphan	33,626,207	34,947,213	34,111,697	34,623,372	35,449,660	(323,841)	502,447	826,288	2.39%
Douglas	363,039,968	374,876,043	362,055,049	367,485,875	397,897,417	(7,390,168)	23,021,374	30,411,542	8.28%
Edwards	36,102,534	34,957,770	34,818,418	35,340,694	34,798,987	382,924	(158,783)	(541,707)	-1.53%
Elk	17,915,045	17,543,316	17,602,289	17,866,323	18,143,845	323,007	600,529	277,522	1.55%
Ellis	149,579,187	142,095,703	136,939,025	138,993,110	139,735,459	(3,102,593)	(2,360,244)	742,349	0.53%
Ellsworth	41,212,758	56,068,859	53,592,879	54,396,772	56,958,854	(1,672,087)	889,995	2,562,082	4.71%
Finney	282,771,905	284,044,243	279,975,337	284,174,967	272,242,272	130,724	(11,801,971)	(11,932,695)	-4.20%
Ford	152,185,056	150,269,654	145,252,954	147,431,748	144,341,327	(2,837,906)	(5,928,327)	(3,090,421)	-2.10%
Franklin	81,545,675	83,871,500	82,796,924	84,038,878	84,014,029	167,378	142,529	(24,849)	-0.03%
Geary	86,118,017	87,853,285	84,112,554	85,374,242	85,806,443	(2,479,043)	(2,046,842)	432,201	0.51%
Gove	34,490,126	32,282,146	31,610,759	32,084,920	31,156,286	(197,226)	(1,125,860)	(928,634)	-2.89%
Graham	38,731,123	36,945,819	36,475,436	37,022,568	34,675,584	76,749	(2,270,235)	(2,346,984)	-6.34%
Grant	256,378,677	250,273,314	241,850,142	245,477,894	294,231,334	(4,795,420)	43,958,020	48,753,440	19.86%
Gray	45,697,351	44,203,640	43,264,726	43,913,697	42,461,857	(289,943)	(1,741,783)	(1,451,840)	-3.31%
Greeley	27,564,628	27,544,957	27,003,985	27,409,045	26,969,562	(135,912)	(575,395)	(439,483)	-1.60%
Greenwood	43,920,878	43,174,535	43,597,539	44,251,502	44,615,977	1,076,967	1,441,442	364,475	0.82%
Hamilton	42,334,847	41,382,562	40,437,782	41,044,349	43,885,163	(338,213)	2,502,601	2,840,814	6.92%
Harper	53,808,819	49,090,182	48,483,494	49,210,746	46,216,763	120,564	(2,873,419)	(2,993,983)	-6.01%
Harvey	123,625,115	126,029,397	122,494,174	124,331,587	124,308,936	(1,697,810)	(1,720,461)	(22,651)	-0.02%
Haskell	116,405,144	114,477,189	111,032,934	112,698,428	128,375,588	(1,778,761)	13,898,399	15,677,160	13.91%

Senate Assessment & Taxation 9-30-93 attach 11-1

<u>County</u>	<u>1991 TOTAL ASSESSED VALUATION</u>	<u>1992 TOTAL ASSESSED VALUATION</u>	<u>1992 Base Adjusted for Classification</u>	<u>1993 S Fin Est (92 Adj Base + 1.5% Growth)</u>	<u>1993 PRELIM ASSESSED VALUATION*</u>	<u>S Fin Est 92-93 Change in Ass Value</u>	<u>Actual 92-93 Change in Ass Value</u>	<u>92-93 Actual Above S Finance Est</u>	<u>Perce. Above/Below S Fin Est</u>
Hodgeman	26,354,738	25,255,419	24,807,344	25,179,454	24,128,229	(75,965)	(1,127,190)	(1,051,225)	-4.17%
Jackson	39,111,556	41,255,009	40,823,317	41,435,667	43,318,591	180,658	2,063,582	1,882,924	4.54%
Jefferson	61,262,156	63,432,710	62,789,248	63,731,087	63,924,935	298,377	492,225	193,848	0.30%
Jewell	26,511,090	26,371,682	26,352,250	26,747,534	25,924,878	375,852	(446,804)	(822,656)	-3.08%
Johnson	2,725,876,105	2,718,930,065	2,573,929,116	2,612,538,053	2,813,211,459	(106,392,012)	94,281,394	200,673,406	7.68%
Kearny	185,166,017	178,172,609	173,368,439	175,968,966	193,881,446	(2,203,643)	15,708,837	17,912,480	10.18%
Kingman	73,133,670	68,850,777	71,103,030	72,169,575	68,576,164	3,318,798	(274,613)	(3,593,411)	-4.98%
Kiowa	50,434,580	49,678,128	50,025,716	50,776,102	50,640,130	1,097,974	962,002	(135,972)	-0.27%
Labette	70,873,102	71,554,040	71,322,571	72,392,410	71,365,890	838,370	(188,150)	(1,026,520)	-1.42%
Lane	26,874,291	25,991,268	25,234,796	25,613,318	23,318,500	(377,950)	(2,672,768)	(2,294,818)	-8.96%
Leavenworth	200,109,991	201,996,455	195,241,801	198,170,428	207,514,666	(3,826,027)	5,518,211	9,344,238	4.72%
Lincoln	22,837,469	23,718,380	23,804,927	24,162,001	22,401,122	443,621	(1,317,258)	(1,760,879)	-7.29%
Linn	130,051,403	132,099,219	144,690,599	146,860,958	145,310,598	14,761,739	13,211,379	(1,550,360)	-1.06%
Logan	25,648,089	26,646,060	26,150,767	26,543,029	25,302,792	(103,031)	(1,343,268)	(1,240,237)	-4.67%
Lyon	125,822,541	127,525,613	123,653,226	125,508,024	127,151,779	(2,017,589)	(373,834)	1,643,755	1.31%
Marion	57,945,116	58,604,671	57,452,487	58,314,274	57,519,881	(290,397)	(1,084,790)	(794,393)	-1.36%
Marshall	53,254,422	53,623,009	52,972,838	53,767,431	54,267,748	144,422	644,739	500,317	0.93%
McPherson	156,099,568	158,557,311	155,489,049	157,821,385	158,839,533	(735,926)	282,222	1,018,148	0.65%
Meade	65,142,089	58,280,884	70,255,446	71,309,278	68,160,529	13,028,394	9,879,645	(3,148,749)	-4.42%
Miami	96,259,171	99,328,794	99,012,068	100,497,249	102,625,552	1,168,455	3,296,758	2,128,303	2.12%
Mitchell	34,513,234	33,689,574	32,923,297	33,417,146	32,524,681	(272,428)	(1,164,893)	(892,465)	-2.67%
Montgomery	144,880,393	140,677,289	140,426,213	142,532,606	138,469,751	1,855,317	(2,207,538)	(4,062,855)	-2.85%
Morris	33,162,774	34,038,218	33,846,027	34,353,717	34,767,445	315,499	729,227	413,728	1.20%
Morton	117,398,779	107,065,955	106,912,147	108,515,829	126,257,175	1,449,874	19,191,220	17,741,346	16.35%
Nemaha	50,520,932	50,531,757	49,512,224	50,254,907	52,357,612	(276,850)	1,825,855	2,102,705	4.18%
Neosho	54,990,617	55,451,798	54,230,084	55,043,535	55,197,353	(408,263)	(254,445)	153,818	0.28%
Ness	52,073,105	48,239,285	47,211,395	47,919,566	46,947,616	(319,719)	(1,291,669)	(971,950)	-2.03%
Norton	27,692,965	27,429,605	27,186,206	27,593,999	26,993,371	164,394	(436,234)	(600,628)	-2.18%
Osage	56,568,119	58,691,011	57,792,850	58,659,743	58,445,513	(31,268)	(245,498)	(214,230)	-0.37%
Osborne	26,977,283	25,905,264	25,696,995	26,082,450	24,681,489	177,186	(1,223,775)	(1,400,961)	-5.37%
Ottawa	32,424,747	32,958,568	33,027,579	33,522,993	32,455,873	564,425	(502,695)	(1,067,120)	-3.18%
Pawnee	49,416,530	47,657,957	46,899,661	47,603,156	47,018,595	(54,801)	(639,362)	(584,561)	-1.23%
Phillips	41,055,639	39,321,038	38,391,451	38,967,323	39,205,177	(353,715)	(115,861)	237,854	0.61%
Pottawatomie	265,895,381	272,543,324	298,565,249	303,043,728	297,032,054	30,500,404	24,488,730	(6,011,674)	-1.98%
Pratt	70,756,590	69,251,841	72,807,440	73,899,552	71,624,307	4,647,711	2,372,466	(2,275,245)	-3.08%
Rawlins	29,737,339	30,301,712	29,974,130	30,423,742	27,239,686	122,030	(3,062,026)	(3,184,056)	-10.47%
Reno	292,494,591	288,457,151	279,317,670	283,507,435	280,161,576	(4,949,716)	(8,295,575)	(3,345,859)	-1.18%
Republic	35,255,592	34,262,621	33,840,200	34,347,803	34,188,463	85,182	(74,158)	(159,340)	-0.46%
Rice	71,974,602	70,591,496	73,958,793	75,068,175	71,864,310	4,476,679	1,272,814	(3,203,865)	-4.27
Riley	169,197,934	170,909,170	162,971,639	165,416,214	172,941,347	(5,492,956)	2,032,177	7,525,133	4.55%
Rooks	53,379,959	48,884,787	48,016,066	48,736,307	46,334,857	(148,480)	(2,549,930)	(2,401,450)	-4.93%

County	1991 TOTAL ASSESSED VALUATION	1992 TOTAL ASSESSED VALUATION	1992 Base Adjusted for Classification	1993 S Fin Est (92 Adj Base + 1.5% Growth)	1993 PRELIM ASSESSED VALUATION*	S Fin Est 92-93 Change in Ass Value	Actual 92-93 Change in Ass Value	92-93 Actual Above S Finance Est	Perce Above/Below S Fin Est
Rush	32,428,920	32,297,962	31,771,751	32,248,327	30,299,904	(49,635)	(1,998,058)	(1,948,423)	-6.04%
Russell	65,584,750	61,381,838	60,063,824	60,964,781	58,015,909	(417,057)	(3,365,929)	(2,948,872)	-4.84%
Saline	223,370,139	225,165,760	217,072,614	220,328,703	226,524,370	(4,837,057)	1,358,610	6,195,667	2.81%
Scott	42,047,503	42,872,800	42,302,902	42,937,446	41,055,329	64,646	(1,817,471)	(1,882,117)	-4.38%
Sedgwick	1,962,204,160	2,017,959,768	1,942,796,385	1,971,938,331	2,006,868,724	(46,021,437)	(11,091,044)	34,930,393	1.77%
Seward	164,837,172	164,089,484	156,979,267	159,333,956	177,111,127	(4,755,528)	13,021,643	17,777,171	11.16%
Shawnee	814,050,185	791,728,327	761,826,779	773,254,181	752,223,609	(18,474,146)	(39,504,718)	(21,030,572)	-2.72%
Sheridan	28,326,995	28,745,809	28,429,247	28,855,686	27,059,706	109,877	(1,686,103)	(1,795,980)	-6.22%
Sherman	46,776,656	43,672,805	42,490,581	43,127,940	44,247,001	(544,865)	574,196	1,119,061	2.59%
Smith	28,407,237	28,119,431	27,795,441	28,212,373	28,068,326	92,942	(51,105)	(144,047)	-0.51%
Stafford	60,893,413	57,082,269	56,518,961	57,366,745	53,770,637	284,476	(3,311,632)	(3,596,108)	-6.27%
Stanton	67,314,426	63,694,111	61,720,940	62,646,754	83,654,302	(1,047,357)	19,960,191	21,007,548	33.53%
Stevens	296,336,776	269,373,980	261,529,006	265,451,941	295,581,010	(3,922,039)	26,207,030	30,129,069	11.35%
Sumner	109,984,949	109,942,668	108,249,826	109,873,573	106,079,710	(69,095)	(3,862,958)	(3,793,863)	-3.45%
Thomas	60,853,522	59,709,631	58,500,571	59,378,080	57,516,065	(331,551)	(2,193,566)	(1,862,015)	-3.14%
Trego	31,778,936	30,416,148	30,012,084	30,462,265	28,842,578	46,117	(1,573,570)	(1,619,687)	-5.32%
Wabaunsee	32,718,469	33,840,565	33,748,123	34,254,345	34,969,649	413,780	1,129,084	715,304	2.09%
Wallace	21,371,755	21,550,391	21,259,968	21,578,868	19,662,654	28,477	(1,887,737)	(1,916,214)	-8.88%
Washington	41,199,836	41,719,288	41,963,199	42,592,647	42,870,562	873,359	1,151,274	277,915	0.65%
Wichita	26,142,607	25,399,450	24,662,041	25,031,972	23,737,806	(367,478)	(1,661,644)	(1,294,166)	-5.17%
Wilson	40,735,210	41,168,390	40,983,267	41,598,016	41,571,338	429,626	402,948	(26,678)	-0.06%
Woodson	23,372,430	23,542,412	23,435,310	23,786,840	24,004,690	244,428	462,278	217,850	0.92%
Wyandotte	588,886,058	609,535,759	580,731,367	589,442,338	580,762,226	(20,093,421)	(28,773,533)	(8,680,112)	-1.47%
State Total	\$14,630,578,759	\$14,600,781,105	\$14,277,251,774	\$14,491,410,551	\$14,837,702,963	(\$109,370,554)	\$236,921,858	\$346,292,412	2.39%

* Includes impact of New Classification Amendment, estimated to reduce assessed valuation by \$324 million on the 1992 base.

\$11,427,650
Times 33 mills

SORT: Alphabetical

County	1991 TOTAL ASSESSED VALUATION	1992 TOTAL ASSESSED VALUATION	1992 Base Adjusted for Classification	1993 S Fin Est (92 Adj Base + 1.5% Growth)	1993 PRELIM ASSESSED VALUATION*	S Fin Est 92-93 Change in Ass Value	Actual 92-93 Change in Ass Value	92-93 Actual Above S Finance Est	Percent Above/Below S Fin Est
Johnson	2,725,876,105	2,718,930,065	2,573,929,116	2,612,538,053	2,813,211,459	(106,392,012)	94,281,394	200,673,406	7.68%
Grant	256,378,677	250,273,314	241,850,142	245,477,894	294,231,334	(4,795,420)	43,958,020	48,753,440	19.86%
Sedgwick	1,962,204,160	2,017,959,768	1,942,796,385	1,971,938,331	2,006,868,724	(46,021,437)	(11,091,044)	34,930,393	1.77%
Douglas	363,039,968	374,876,043	362,055,049	367,485,875	397,897,417	(7,390,168)	23,021,374	30,411,542	8.28%
Stevens	296,336,776	269,373,980	261,529,006	265,451,941	295,581,010	(3,922,039)	26,207,030	30,129,069	11.35%
Stanton	67,314,426	63,694,111	61,720,940	62,646,754	83,654,302	(1,047,357)	19,960,191	21,007,548	33.53%
Kearny	185,166,017	178,172,609	173,368,439	175,968,966	193,881,446	(2,203,643)	15,708,837	17,912,480	10.18%
Seward	164,837,172	164,089,484	156,979,267	159,333,956	177,111,127	(4,755,528)	13,021,643	17,777,171	11.16%
Morton	117,398,779	107,065,955	106,912,147	108,515,829	126,257,175	1,449,874	19,191,220	17,741,346	16.35%
Haskell	116,405,144	114,477,189	111,032,934	112,698,428	128,375,588	(1,778,761)	13,898,399	15,677,160	13.91%
Butler	219,361,615	218,076,574	211,913,010	215,091,705	228,736,135	(2,984,869)	10,659,561	13,644,430	6.34%
Leavenworth	200,109,991	201,996,455	195,241,801	198,170,428	207,514,666	(3,826,027)	5,518,211	9,344,238	4.72%
Riley	169,197,934	170,909,170	162,971,639	165,416,214	172,941,347	(5,492,956)	2,032,177	7,525,133	4.55%
Saline	223,370,139	225,165,760	217,072,614	220,328,703	226,524,370	(4,837,057)	1,358,610	6,195,667	2.81%
Crawford	103,414,216	105,483,521	102,836,281	104,378,825	110,333,602	(1,104,696)	4,850,081	5,954,777	5.70%
Cherokee	73,521,889	75,534,501	75,392,666	76,523,556	82,036,675	989,055	6,502,174	5,513,119	7.20%
Hamilton	42,334,847	41,382,562	40,437,782	41,044,349	43,885,163	(338,213)	2,502,601	2,840,814	6.92%
Ellsworth	41,212,758	56,068,859	53,592,879	54,396,772	56,958,854	(1,672,087)	889,995	2,562,082	4.71%
Miami	96,259,171	99,328,794	99,012,068	100,497,249	102,625,552	1,168,455	3,296,758	2,128,303	2.12%
Nemaha	50,520,932	50,531,757	49,512,224	50,254,907	52,357,612	(276,850)	1,825,855	2,102,705	4.18%
Jackson	39,111,556	41,255,009	40,823,317	41,435,667	43,318,591	180,658	2,063,582	1,882,924	4.54%
Lyon	125,822,541	127,525,613	123,653,226	125,508,024	127,151,779	(2,017,589)	(373,834)	1,643,755	1.31%
Sherman	46,776,656	43,672,805	42,490,581	43,127,940	44,247,001	(544,865)	574,196	1,119,061	2.59%
McPherson	156,099,568	158,557,311	155,489,049	157,821,385	158,839,533	(735,926)	282,222	1,018,148	0.65%
Doniphan	33,626,207	34,947,213	34,111,697	34,623,372	35,449,660	(323,841)	502,447	826,288	2.39%
Ellis	149,579,187	142,095,703	136,939,025	138,993,110	139,735,459	(3,102,593)	(2,360,244)	742,349	0.53%
Wabaunsee	32,718,469	33,840,565	33,748,123	34,254,345	34,969,649	413,780	1,129,084	715,304	2.09%
Clark	30,743,337	28,887,707	29,244,960	29,683,634	30,307,403	795,927	1,419,696	623,769	2.10%
Marshall	53,254,422	53,623,009	52,972,838	53,767,431	54,267,748	144,422	644,739	500,317	0.93%
Geary	86,118,017	87,853,285	84,112,554	85,374,242	85,806,443	(2,479,043)	(2,046,842)	432,201	0.51%
Morris	33,162,774	34,038,218	33,846,027	34,353,717	34,767,445	315,499	729,227	413,728	1.20%
Clay	40,294,223	40,353,571	39,773,201	40,369,799	40,744,910	16,228	391,339	375,111	0.93%
Greenwood	43,920,878	43,174,535	43,597,539	44,251,502	44,615,977	1,076,967	1,441,442	364,475	0.82%
Washington	41,199,836	41,719,288	41,963,199	42,592,647	42,870,562	873,359	1,151,274	277,915	0.65%
Elk	17,915,045	17,543,316	17,602,289	17,866,323	18,143,845	323,007	600,529	277,522	1.55%
Comanche	27,200,366	25,171,509	25,013,476	25,388,678	25,659,784	217,169	488,275	271,106	1.07%
Phillips	41,055,639	39,321,038	38,391,451	38,967,323	39,205,177	(353,715)	(115,861)	237,854	0.61%
Woodson	23,372,430	23,542,412	23,435,310	23,786,840	24,004,690	244,428	462,278	217,850	0.97%
Jefferson	61,262,156	63,432,710	62,789,248	63,731,087	63,924,935	298,377	492,225	193,848	0.30%
Neosho	54,990,617	55,451,798	54,230,084	55,043,535	55,197,353	(408,263)	(254,445)	153,818	0.28%
Allen	\$53,747,285	\$53,773,265	\$53,501,071	\$54,303,587	\$54,374,059	\$530,322	\$600,794	\$70,472	0.13%

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County	1991 TOTAL ASSESSED VALUATION	1992 TOTAL ASSESSED VALUATION	1992 Base Adjusted for Classification	1993 S Fin Est (92 Adj Base + 1.5% Growth)	1993 PRELIM ASSESSED VALUATION*	S Fin Est 92-93 Change in Ass Value	Actual 92-93 Change in Ass Value	92-93 Actual Above S Finance Est	Percent Above/Below S Fin Est
Chautauqua	21,386,575	21,607,356	21,689,332	22,014,672	22,029,903	407,316	422,547	15,231	0.07%
Harvey	123,625,115	126,029,397	122,494,174	124,331,587	124,308,936	(1,697,810)	(1,720,461)	(22,651)	-0.02%
Franklin	81,545,675	83,871,500	82,796,924	84,038,878	84,014,029	167,378	142,529	(24,849)	-0.03%
Wilson	40,735,210	41,168,390	40,983,267	41,598,016	41,571,338	429,626	402,948	(26,678)	-0.06%
Cloud	44,130,884	43,777,597	43,734,330	44,390,345	44,359,197	612,748	581,600	(31,148)	-0.07%
Kiowa	50,434,580	49,678,128	50,025,716	50,776,102	50,640,130	1,097,974	962,002	(135,972)	-0.27%
Smith	28,407,237	28,119,431	27,795,441	28,212,373	28,068,326	92,942	(51,105)	(144,047)	-0.51%
Republic	35,255,592	34,262,621	33,840,200	34,347,803	34,188,463	85,182	(74,158)	(159,340)	-0.46%
Atchison	58,704,444	59,915,029	59,120,383	60,007,189	59,826,855	92,160	(88,174)	(180,334)	-0.30%
Osage	56,568,119	58,691,011	57,792,850	58,659,743	58,445,513	(31,268)	(245,498)	(214,230)	-0.37%
Chase	21,975,363	21,950,370	22,144,704	22,476,875	22,191,857	526,505	241,487	(285,018)	-1.27%
Cowley	143,067,820	144,272,896	142,310,657	144,445,317	144,013,717	172,421	(259,179)	(431,600)	-0.30%
Greeley	27,564,628	27,544,957	27,003,985	27,409,045	26,969,562	(135,912)	(575,395)	(439,483)	-1.60%
Edwards	36,102,534	34,957,770	34,818,418	35,340,694	34,798,987	382,924	(158,783)	(541,707)	-1.53%
Pawnee	49,416,530	47,657,957	46,899,661	47,603,156	47,018,595	(54,801)	(639,362)	(584,561)	-1.23%
Norton	27,692,965	27,429,605	27,186,206	27,593,999	26,993,371	164,394	(436,234)	(600,628)	-2.18%
Anderson	37,301,497	37,708,720	37,810,871	38,378,034	37,741,578	669,314	32,858	(636,456)	-1.66%
Bourbon	51,266,910	51,673,457	50,256,669	51,010,519	50,366,463	(662,938)	(1,306,994)	(644,056)	-1.26%
Marion	57,945,116	58,604,671	57,452,487	58,314,274	57,519,881	(290,397)	(1,084,790)	(794,393)	-1.36%
Cheyenne	28,299,640	27,493,225	27,008,142	27,413,264	26,612,257	(79,961)	(880,968)	(801,007)	-2.92%
Decatur	27,089,131	26,546,444	25,990,238	26,380,092	25,575,929	(166,352)	(970,515)	(804,163)	-3.05%
Jewell	26,511,090	26,371,682	26,352,250	26,747,534	25,924,878	375,852	(446,804)	(822,656)	-3.08%
Mitchell	34,513,234	33,689,574	32,923,297	33,417,146	32,524,681	(272,428)	(1,164,893)	(892,465)	-2.67%
Gove	34,490,126	32,282,146	31,610,759	32,084,920	31,156,286	(197,226)	(1,125,860)	(928,634)	-2.89%
Ness	52,073,105	48,239,285	47,211,395	47,919,566	46,947,616	(319,719)	(1,291,669)	(971,950)	-2.03%
Labette	70,873,102	71,554,040	71,322,571	72,392,410	71,365,890	838,370	(188,150)	(1,026,520)	-1.42%
Hodgeman	26,354,738	25,255,419	24,807,344	25,179,454	24,128,229	(75,965)	(1,127,190)	(1,051,225)	-4.17%
Ottawa	32,424,747	32,958,568	33,027,579	33,522,993	32,455,873	564,425	(502,695)	(1,067,120)	-3.18%
Brown	50,001,334	50,055,096	49,513,025	50,255,720	49,132,280	200,624	(922,816)	(1,123,440)	-2.24%
Logan	25,648,089	26,646,060	26,150,767	26,543,029	25,302,792	(103,031)	(1,343,268)	(1,240,237)	-4.67%
Wichita	26,142,607	25,399,450	24,662,041	25,031,972	23,737,806	(367,478)	(1,661,644)	(1,294,166)	-5.17%
Osborne	26,977,283	25,905,264	25,696,995	26,082,450	24,681,489	177,186	(1,223,775)	(1,400,961)	-5.37%
Gray	45,697,351	44,203,640	43,264,726	43,913,697	42,461,857	(289,943)	(1,741,783)	(1,451,840)	-3.31%
Linn	130,051,403	132,099,219	144,690,599	146,860,958	145,310,598	14,761,739	13,211,379	(1,550,360)	-1.06%
Trego	31,778,936	30,416,148	30,012,084	30,462,265	28,842,578	46,117	(1,573,570)	(1,619,687)	-5.32%
Lincoln	22,837,469	23,718,380	23,804,927	24,162,001	22,401,122	443,621	(1,317,258)	(1,760,879)	-7.29%
Sheridan	28,326,995	28,745,809	28,429,247	28,855,686	27,059,706	109,877	(1,686,103)	(1,795,980)	-6.22%
Thomas	60,853,522	59,709,631	58,500,571	59,378,080	57,516,065	(331,551)	(2,193,566)	(1,862,015)	-3.14%
Scott	42,047,503	42,872,800	42,302,902	42,937,446	41,055,329	64,646	(1,817,471)	(1,882,117)	-4.38%
Wallace	21,371,755	21,550,391	21,259,968	21,578,868	19,662,654	28,477	(1,887,737)	(1,916,214)	-8.88%
Rush	32,428,920	32,297,962	31,771,751	32,248,327	30,299,904	(49,635)	(1,998,058)	(1,948,423)	-6.04%

County	1991 TOTAL ASSESSED VALUATION	1992 TOTAL ASSESSED VALUATION	1992 Base Adjusted for Classification	1993 S Fin Est (92 Adj Base + 1.5% Growth)	1993 PRELIM ASSESSED VALUATION*	S Fin Est 92-93 Change in Ass Value	Actual 92-93 Change in Ass Value	92-93 Actual Above S Finance Est	Percent Above/Below S Fin Est
Pratt	70,756,590	69,251,841	72,807,440	73,899,552	71,624,307	4,647,711	2,372,466	(2,275,245)	-3.08%
Lane	26,874,291	25,991,268	25,234,796	25,613,318	23,318,500	(377,950)	(2,672,768)	(2,294,818)	-8.96%
Graham	38,731,123	36,945,819	36,475,436	37,022,568	34,675,584	76,749	(2,270,235)	(2,346,984)	-6.34%
Rooks	53,379,959	48,884,787	48,016,066	48,736,307	46,334,857	(148,480)	(2,549,930)	(2,401,450)	-4.93%
Dickinson	80,867,206	80,784,312	79,724,257	80,920,121	78,087,007	135,809	(2,697,305)	(2,833,114)	-3.50%
Russell	65,584,750	61,381,838	60,063,824	60,964,781	58,015,909	(417,057)	(3,365,929)	(2,948,872)	-4.84%
Harper	53,808,819	49,090,182	48,483,494	49,210,746	46,216,763	120,564	(2,873,419)	(2,993,983)	-6.08%
Ford	152,185,056	150,269,654	145,252,954	147,431,748	144,341,327	(2,837,906)	(5,928,327)	(3,090,421)	-2.10%
Meade	65,142,089	58,280,884	70,255,446	71,309,278	68,160,529	13,028,394	9,879,645	(3,148,749)	-4.42%
Rawlins	29,737,339	30,301,712	29,974,130	30,423,742	27,239,686	122,030	(3,062,026)	(3,184,056)	-10.47%
Rice	71,974,602	70,591,496	73,958,793	75,068,175	71,864,310	4,476,679	1,272,814	(3,203,865)	-4.27%
Barber	56,771,256	54,035,797	53,609,183	54,413,321	51,149,228	377,524	(2,886,569)	(3,264,093)	-6.00%
Reno	292,494,591	288,457,151	279,317,670	283,507,435	280,161,576	(4,949,716)	(8,295,575)	(3,345,859)	-1.18%
Kingman	73,133,670	68,850,777	71,103,030	72,169,575	68,576,164	3,318,798	(274,613)	(3,593,411)	-4.98%
Stafford	60,893,413	57,082,269	56,518,961	57,366,745	53,770,637	284,476	(3,311,632)	(3,596,108)	-6.27%
Sumner	109,984,949	109,942,668	108,249,826	109,873,573	106,079,710	(69,095)	(3,862,958)	(3,793,863)	-3.45%
Montgomery	144,880,393	140,677,289	140,426,213	142,532,606	138,469,751	1,855,317	(2,207,538)	(4,062,855)	-2.85%
Barton	150,854,907	144,619,724	141,923,842	144,052,700	139,922,952	(567,024)	(4,696,772)	(4,129,748)	-2.87%
Pottawatomie	265,895,381	272,543,324	298,565,249	303,043,728	297,032,054	30,500,404	24,488,730	(6,011,674)	-1.98%
Wyandotte	588,886,058	609,535,759	580,731,367	589,442,338	580,762,226	(20,093,421)	(28,773,533)	(8,680,112)	-1.47%
Finney	282,771,905	284,044,243	279,975,337	284,174,967	272,242,272	130,724	(11,801,971)	(11,932,695)	-4.20%
Coffey	544,769,428	537,388,537	590,403,574	599,259,628	579,625,924	61,871,091	42,237,387	(19,633,704)	-3.28%
Shawnee	814,050,185	791,728,327	761,826,779	773,254,181	752,223,609	(18,474,146)	(39,504,718)	(21,030,572)	-2.72%
State Total	\$14,630,578,759	\$14,600,781,105	\$14,277,251,774	\$14,491,410,551	\$14,837,702,963	(\$109,370,554)	\$236,921,858	\$346,292,412	2.39%

* Includes impact of New Classification Amendment, estimated to reduce assessed valuation by \$324 million on the 1992 base.

\$11,427,650
Times 33 mills

SORT: Assessed Value Difference Between July 15 Abstract and School Finance Estimates (Classification Estimates Plus 1.5% Growth)

County	1991 TOTAL ASSESSED VALUATION	1992 TOTAL ASSESSED VALUATION	1992 Base Adjusted for Classification	1993 S Fin Est (92 Adj Base + 1.5% Growth)	1993 PRELIM ASSESSED VALUATION*	S Fin Est 92-93 Change in Ass Value	Actual 92-93 Change in Ass Value	92-93 Actual Above S Finance Est	Percent Above/Below S Fin Est
Stanton	67,314,426	63,694,111	61,720,940	62,646,754	83,654,302	(1,047,357)	19,960,191	21,007,548	33.53%
Grant	256,378,677	250,273,314	241,850,142	245,477,894	294,231,334	(4,795,420)	43,958,020	48,753,440	19.86%
Morton	117,398,779	107,065,955	106,912,147	108,515,829	126,257,175	1,449,874	19,191,220	17,741,346	16.35%
Haskell	116,405,144	114,477,189	111,032,934	112,698,428	128,375,588	(1,778,761)	13,898,399	15,677,160	13.91%
Stevens	296,336,776	269,373,980	261,529,006	265,451,941	295,581,010	(3,922,039)	26,207,030	30,129,069	11.35%
Seward	164,837,172	164,089,484	156,979,267	159,333,956	177,111,127	(4,755,528)	13,021,643	17,777,171	11.16%
Kearny	185,166,017	178,172,609	173,368,439	175,968,966	193,881,446	(2,203,643)	15,708,837	17,912,480	10.18%
Douglas	363,039,968	374,876,043	362,055,049	367,485,875	397,897,417	(7,390,168)	23,021,374	30,411,542	8.28%
Johnson	2,725,876,105	2,718,930,065	2,573,929,116	2,612,538,053	2,813,211,459	(106,392,012)	94,281,394	200,673,406	7.68%
Cherokee	73,521,889	75,534,501	75,392,666	76,523,556	82,036,675	989,055	6,502,174	5,513,119	7.20%
Hamilton	42,334,847	41,382,562	40,437,782	41,044,349	43,885,163	(338,213)	2,502,601	2,840,814	6.92%
Butler	219,361,615	218,076,574	211,913,010	215,091,705	228,736,135	(2,984,869)	10,659,561	13,644,430	6.34%
Crawford	103,414,216	105,483,521	102,836,281	104,378,825	110,333,602	(1,104,696)	4,850,081	5,954,777	5.70%
Leavenworth	200,109,991	201,996,455	195,241,801	198,170,428	207,514,666	(3,826,027)	5,518,211	9,344,238	4.72%
Ellsworth	41,212,758	56,068,859	53,592,879	54,396,772	56,958,854	(1,672,087)	889,995	2,562,082	4.71%
Riley	169,197,934	170,909,170	162,971,639	165,416,214	172,941,347	(5,492,956)	2,032,177	7,525,133	4.55%
Jackson	39,111,556	41,255,009	40,823,317	41,435,667	43,318,591	180,658	2,063,582	1,882,924	4.54%
Nemaha	50,520,932	50,531,757	49,512,224	50,254,907	52,357,612	(276,850)	1,825,855	2,102,705	4.18%
Saline	223,370,139	225,165,760	217,072,614	220,328,703	226,524,370	(4,837,057)	1,358,610	6,195,667	2.81%
Sherman	46,776,656	43,672,805	42,490,581	43,127,940	44,247,001	(544,865)	574,196	1,119,061	2.59%
Doniphan	33,626,207	34,947,213	34,111,697	34,623,372	35,449,660	(323,841)	502,447	826,288	2.39%
Miami	96,259,171	99,328,794	99,012,068	100,497,249	102,625,552	1,168,455	3,296,758	2,128,303	2.12%
Clark	30,743,337	28,887,707	29,244,960	29,683,634	30,307,403	795,927	1,419,696	623,769	2.10%
Wabaunsee	32,718,469	33,840,565	33,748,123	34,254,345	34,969,649	413,780	1,129,084	715,304	2.09%
Sedgwick	1,962,204,160	2,017,959,768	1,942,796,385	1,971,938,331	2,006,868,724	(46,021,437)	(11,091,044)	34,930,393	1.77%
Elk	17,915,045	17,543,316	17,602,289	17,866,323	18,143,845	323,007	600,529	277,522	1.55%
Lyon	125,822,541	127,525,613	123,653,226	125,508,024	127,151,779	(2,017,589)	(373,834)	1,643,755	1.31%
Morris	33,162,774	34,038,218	33,846,027	34,353,717	34,767,445	315,499	729,227	413,728	1.20%
Comanche	27,200,366	25,171,509	25,013,476	25,388,678	25,659,784	217,169	488,275	271,106	1.07%
Marshall	53,254,422	53,623,009	52,972,838	53,767,431	54,267,748	144,422	644,739	500,317	0.93%
Clay	40,294,223	40,353,571	39,773,201	40,369,799	40,744,910	16,228	391,339	375,111	0.93%
Woodson	23,372,430	23,542,412	23,435,310	23,786,840	24,004,690	244,428	462,278	217,850	0.92%
Greenwood	43,920,878	43,174,535	43,597,539	44,251,502	44,615,977	1,076,967	1,441,442	364,475	0.82%
Washington	41,199,836	41,719,288	41,963,199	42,592,647	42,870,562	873,359	1,151,274	277,915	0.65%
McPherson	156,099,568	158,557,311	155,489,049	157,821,385	158,839,533	(735,926)	282,222	1,018,148	0.65%
Phillips	41,055,639	39,321,038	38,391,451	38,967,323	39,205,177	(353,715)	(115,861)	237,854	0.61%
Ellis	149,579,187	142,095,703	136,939,025	138,993,110	139,735,459	(3,102,593)	(2,360,244)	742,349	0.53%
Geary	86,118,017	87,853,285	84,112,554	85,374,242	85,806,443	(2,479,043)	(2,046,842)	432,201	0.51%
Jefferson	61,262,156	63,432,710	62,789,248	63,731,087	63,924,935	298,377	492,225	193,848	0.30%
Neosho	54,990,617	55,451,798	54,230,084	55,043,535	55,197,353	(408,263)	(254,445)	153,818	0.28%
Allen	\$53,747,285	\$53,773,265	\$53,501,071	\$54,303,587	\$54,374,059	\$530,322	\$600,794	\$70,472	0.13%

Senate Assessment & Taxation, 9-30-93 Attach 13-1

County	1991 TOTAL ASSESSED VALUATION	1992 TOTAL ASSESSED VALUATION	1992 Base Adjusted for Classification	1993 S Fin Est (92 Adj Base + 1.5% Growth)	1993 PRELIM ASSESSED VALUATION*	S Fin Est 92-93 Change in Ass Value	Actual 92-93 Change in Ass Value	92-93 Actual Above S Finance Est	Percent Above/Below S Fin Est
Chautauqua	21,386,575	21,607,356	21,689,332	22,014,672	22,029,903	407,316	422,547	15,231	0.07%
Harvey	123,625,115	126,029,397	122,494,174	124,331,587	124,308,936	(1,697,810)	(1,720,461)	(22,651)	-0.02%
Franklin	81,545,675	83,871,500	82,796,924	84,038,878	84,014,029	167,378	142,529	(24,849)	-0.03%
Wilson	40,735,210	41,168,390	40,983,267	41,598,016	41,571,338	429,626	402,948	(26,678)	-0.06%
Cloud	44,130,884	43,777,597	43,734,330	44,390,345	44,359,197	612,748	581,600	(31,148)	-0.07%
Kiowa	50,434,580	49,678,128	50,025,716	50,776,102	50,640,130	1,097,974	962,002	(135,972)	-0.27%
Cowley	143,067,820	144,272,896	142,310,657	144,445,317	144,013,717	172,421	(259,179)	(431,600)	-0.30%
Atchison	58,704,444	59,915,029	59,120,383	60,007,189	59,826,855	92,160	(88,174)	(180,334)	-0.30%
Osage	56,568,119	58,691,011	57,792,850	58,659,743	58,445,513	(31,268)	(245,498)	(214,230)	-0.37%
Republic	35,255,592	34,262,621	33,840,200	34,347,803	34,188,463	85,182	(74,158)	(159,340)	-0.46%
Smith	28,407,237	28,119,431	27,795,441	28,212,373	28,068,326	92,942	(51,105)	(144,047)	-0.51%
Linn	130,051,403	132,099,219	144,690,599	146,860,958	145,310,598	14,761,739	13,211,379	(1,550,360)	-1.06%
Reno	292,494,591	288,457,151	279,317,670	283,507,435	280,161,576	(4,949,716)	(8,295,575)	(3,345,859)	-1.18%
Pawnee	49,416,530	47,657,957	46,899,661	47,603,156	47,018,595	(54,801)	(639,362)	(584,561)	-1.23%
Bourbon	51,266,910	51,673,457	50,256,669	51,010,519	50,366,463	(662,938)	(1,306,994)	(644,056)	-1.26%
Chase	21,975,363	21,950,370	22,144,704	22,476,875	22,191,857	526,505	241,487	(285,018)	-1.27%
Marion	57,945,116	58,604,671	57,452,487	58,314,274	57,519,881	(290,397)	(1,084,790)	(794,393)	-1.36%
Labette	70,873,102	71,554,040	71,322,571	72,392,410	71,365,890	838,370	(188,150)	(1,026,520)	-1.42%
Wyandotte	588,886,058	609,535,759	580,731,367	589,442,338	580,762,226	(20,093,421)	(28,773,533)	(8,680,112)	-1.47%
Edwards	36,102,534	34,957,770	34,818,418	35,340,694	34,798,987	382,924	(158,783)	(541,707)	-1.53%
Greeley	27,564,628	27,544,957	27,003,985	27,409,045	26,969,562	(135,912)	(575,395)	(439,483)	-1.60%
Anderson	37,301,497	37,708,720	37,810,871	38,378,034	37,741,578	669,314	32,858	(636,456)	-1.66%
Pottawatomie	265,895,381	272,543,324	298,565,249	303,043,728	297,032,054	30,500,404	24,488,730	(6,011,674)	-1.98%
Ness	52,073,105	48,239,285	47,211,395	47,919,566	46,947,616	(319,719)	(1,291,669)	(971,950)	-2.03%
Ford	152,185,056	150,269,654	145,252,954	147,431,748	144,341,327	(2,837,906)	(5,928,327)	(3,090,421)	-2.10%
Norton	27,692,965	27,429,605	27,186,206	27,593,999	26,993,371	164,394	(436,234)	(600,628)	-2.18%
Brown	50,001,334	50,055,096	49,513,025	50,255,720	49,132,280	200,624	(922,816)	(1,123,440)	-2.24%
Mitchell	34,513,234	33,689,574	32,923,297	33,417,146	32,524,681	(272,428)	(1,164,893)	(892,465)	-2.67%
Shawnee	814,050,185	791,728,327	761,826,779	773,254,181	752,223,609	(18,474,146)	(39,504,718)	(21,030,572)	-2.72%
Montgomery	144,880,393	140,677,289	140,426,213	142,532,606	138,469,751	1,855,317	(2,207,538)	(4,062,855)	-2.85%
Barton	150,854,907	144,619,724	141,923,842	144,052,700	139,922,952	(567,024)	(4,696,772)	(4,129,748)	-2.87%
Gove	34,490,126	32,282,146	31,610,759	32,084,920	31,156,286	(197,226)	(1,125,860)	(928,634)	-2.89%
Cheyenne	28,299,640	27,493,225	27,008,142	27,413,264	26,612,257	(79,961)	(880,968)	(801,007)	-2.92%
Decatur	27,089,131	26,546,444	25,990,238	26,380,092	25,575,929	(166,352)	(970,515)	(804,163)	-3.05%
Jewell	26,511,090	26,371,682	26,352,250	26,747,534	25,924,878	375,852	(446,804)	(822,656)	-3.08%
Pratt	70,756,590	69,251,841	72,807,440	73,899,552	71,624,307	4,647,711	2,372,466	(2,275,245)	-3.08%
Thomas	60,853,522	59,709,631	58,500,571	59,378,080	57,516,065	(331,551)	(2,193,566)	(1,862,015)	-3.14%
Ottawa	32,424,747	32,958,568	33,027,579	33,522,993	32,455,873	564,425	(502,695)	(1,067,120)	-3.18%
Coffey	544,769,428	537,388,537	590,403,574	599,259,628	579,625,924	61,871,091	42,237,387	(19,633,704)	-3.26%
Gray	45,697,351	44,203,640	43,264,726	43,913,697	42,461,857	(289,943)	(1,741,783)	(1,451,840)	-3.31%
Sumner	109,984,949	109,942,668	108,249,826	109,873,573	106,079,710	(69,095)	(3,862,958)	(3,793,863)	-3.45%

<u>County</u>	<u>1991 TOTAL ASSESSED VALUATION</u>	<u>1992 TOTAL ASSESSED VALUATION</u>	<u>1992 Base Adjusted for Classification</u>	<u>1993 S Fin Est (92 Adj Base + 1.5% Growth)</u>	<u>1993 PRELIM ASSESSED VALUATION*</u>	<u>S Fin Est 92-93 Change in Ass Value</u>	<u>Actual 92-93 Change in Ass Value</u>	<u>92-93 Actual Above S Finance Est</u>	<u>Percent Above/Below S Fin Est</u>
Dickinson	80,867,206	80,784,312	79,724,257	80,920,121	78,087,007	135,809	(2,697,305)	(2,833,114)	-3.50%
Hodgeman	26,354,738	25,255,419	24,807,344	25,179,454	24,128,229	(75,965)	(1,127,190)	(1,051,225)	-4.17%
Finney	282,771,905	284,044,243	279,975,337	284,174,967	272,242,272	130,724	(11,801,971)	(11,932,695)	-4.20%
Rice	71,974,602	70,591,496	73,958,793	75,068,175	71,864,310	4,476,679	1,272,814	(3,203,865)	-4.27%
Scott	42,047,503	42,872,800	42,302,902	42,937,446	41,055,329	64,646	(1,817,471)	(1,882,117)	-4.38%
Meade	65,142,089	58,280,884	70,255,446	71,309,278	68,160,529	13,028,394	9,879,645	(3,148,749)	-4.42%
Logan	25,648,089	26,646,060	26,150,767	26,543,029	25,302,792	(103,031)	(1,343,268)	(1,240,237)	-4.67%
Russell	65,584,750	61,381,838	60,063,824	60,964,781	58,015,909	(417,057)	(3,365,929)	(2,948,872)	-4.84%
Rooks	53,379,959	48,884,787	48,016,066	48,736,307	46,334,857	(148,480)	(2,549,930)	(2,401,450)	-4.93%
Kingman	73,133,670	68,850,777	71,103,030	72,169,575	68,576,164	3,318,798	(274,613)	(3,593,411)	-4.98%
Wichita	26,142,607	25,399,450	24,662,041	25,031,972	23,737,806	(367,478)	(1,661,644)	(1,294,166)	-5.17%
Trego	31,778,936	30,416,148	30,012,084	30,462,265	28,842,578	46,117	(1,573,570)	(1,619,687)	-5.32%
Osborne	26,977,283	25,905,264	25,696,995	26,082,450	24,681,489	177,186	(1,223,775)	(1,400,961)	-5.37%
Barber	56,771,256	54,035,797	53,609,183	54,413,321	51,149,228	377,524	(2,886,569)	(3,264,093)	-6.00%
Rush	32,428,920	32,297,962	31,771,751	32,248,327	30,299,904	(49,635)	(1,998,058)	(1,948,423)	-6.04%
Harper	53,808,819	49,090,182	48,483,494	49,210,746	46,216,763	120,564	(2,873,419)	(2,993,983)	-6.08%
Sheridan	28,326,995	28,745,809	28,429,247	28,855,686	27,059,706	109,877	(1,686,103)	(1,795,980)	-6.22%
Stafford	60,893,413	57,082,269	56,518,961	57,366,745	53,770,637	284,476	(3,311,632)	(3,596,108)	-6.27%
Graham	38,731,123	36,945,819	36,475,436	37,022,568	34,675,584	76,749	(2,270,235)	(2,346,984)	-6.34%
Lincoln	22,837,469	23,718,380	23,804,927	24,162,001	22,401,122	443,621	(1,317,258)	(1,760,879)	-7.29%
Wallace	21,371,755	21,550,391	21,259,968	21,578,868	19,662,654	28,477	(1,887,737)	(1,916,214)	-8.88%
Lane	26,874,291	25,991,268	25,234,796	25,613,318	23,318,500	(377,950)	(2,672,768)	(2,294,818)	-8.96%
Rawlins	29,737,339	30,301,712	29,974,130	30,423,742	27,239,686	122,030	(3,062,026)	(3,184,056)	-10.47%
State Total	\$14,630,578,759	\$14,600,781,105	\$14,277,251,774	\$14,491,410,551	\$14,837,702,963	(\$109,370,554)	\$236,921,858	\$346,292,412	2.39%

* Includes impact of New Classification Amendment, estimated to reduce assessed valuation by \$324 million on the 1992 base.

\$11,427,650
Times 33 mills

SORT: Percent Difference Between July 15 Abstract and School Finance Estimates (Classification Estimates Plus 1.5% Growth)

STATEWIDE ASSESSED VALUATION BY CLASS OF PROPERTY

	1990	1991	1992	1993 PRELIM	1993 PRELIM OLD CLASS
<u>URBAN REAL ESTATE</u>					
RESIDENTIAL	4,034,424,403	4,159,404,276	4,240,304,634	4,238,842,223	4,423,139,711
VACANT LOTS	122,918,921	116,217,558	109,933,652	110,303,391	110,303,391
ALL OTHER INCL C&I REAL	2,637,070,883	2,758,997,572	2,710,645,363	2,419,799,729	2,898,694,436
ALL OTHER	0	0	0	25,326,196	25,326,196
FRATERNAL	9,098,098	8,192,335	8,296,935	0	0
C&I REAL	2,627,972,785	2,750,805,237	2,702,348,428	2,394,473,533	2,873,368,240
AG IMPROVEMENTS	3,540,915	3,039,472	3,049,505	1,686,182	2,023,418
AG LAND	6,086,423	6,007,726	6,228,590	5,835,566	5,835,566
TOTAL URBAN REAL	6,804,041,545	7,043,666,604	7,070,161,744	6,776,467,091	7,439,996,522
<u>RURAL REAL ESTATE</u>					
RESIDENTIAL	785,731,001	816,939,409	834,277,962	849,367,964	886,297,006
VACANT LOTS	21,729,961	21,745,035	20,640,857	21,126,778	21,126,778
ALL OTHER INCL C&I REAL	326,583,508	359,064,348	379,865,635	328,306,729	390,269,070
ALL OTHER	0	0	0	18,495,022	18,495,022
FRATERNAL	813,534	767,801	796,107	0	0
C&I REAL	325,769,974	358,296,547	379,069,528	309,811,707	371,774,048
AG IMPROVEMENTS	142,344,269	138,627,747	137,549,293	106,909,861	128,291,833
AG LAND	1,416,202,028	1,397,334,594	1,353,338,873	1,321,404,258	1,321,404,258
TOTAL RURAL REAL	2,692,590,767	2,733,711,133	2,725,672,620	2,627,115,590	2,747,388,946
TOTAL REAL	9,496,632,312	9,777,377,737	9,795,834,364	9,403,582,681	10,187,385,467
<u>URBAN TANGIBLE PERSONAL</u>					
TOTAL GAS AND OIL	3,354,180	3,387,781	2,969,611	3,570,344	3,713,994
LOW PROD GAS AND OIL				718,250	861,900
ALL OTHER GAS AND OIL				2,852,094	2,852,094
BUS MACH & EQ	540,554,964	579,504,715	605,364,948	803,843,700	643,074,960
ALL OTHER PERSONAL	60,626,519	61,549,600	60,555,062	62,764,346	62,764,346
MOBILE HOMES	31,304,145	26,584,731	25,262,031	23,087,260	24,091,054
MOTOR VEHICLES	49,943,291	50,277,846	45,832,464	41,931,581	41,931,581
TOTAL URBAN PERSONAL	685,783,099	721,304,673	739,984,116	935,197,231	775,575,935
<u>RURAL TANGIBLE PERSONAL</u>					
TOTAL GAS AND OIL	1,363,463,016	1,401,171,910	1,262,243,587	1,382,560,455	1,400,391,423
LOW PROD GAS AND OIL				89,154,838	106,985,806
ALL OTHER GAS AND OIL				1,293,405,617	1,293,405,617
BUS MACH & EQ	217,701,586	211,318,240	224,825,285	288,844,817	231,075,854
ALL OTHER PERSONAL	40,925,565	47,040,187	48,340,040	38,881,256	38,881,256
MOBILE HOMES	17,284,849	15,098,539	15,161,446	13,455,870	14,040,908
MOTOR VEHICLES	66,767,651	70,608,144	68,930,533	73,084,174	73,084,174
TOTAL RURAL PERSONAL	1,706,142,667	1,745,237,020	1,619,500,891	1,796,826,572	1,757,473,614
TOTAL PERSONAL	2,391,925,766	2,466,541,693	2,359,485,007	2,732,023,803	2,533,049,549
PUBLIC SERVICE CORP	2,185,794,977	2,274,207,824	2,317,611,953	2,588,472,892	2,313,768,603
UTILITY INVENTORY	0	0	0	est 43,327,429	0
RAILROADS	120,091,670	112,451,769	127,849,781	113,623,589	113,623,589
TOTAL STATE ASSESSED	2,305,886,647	2,386,659,593	2,445,461,734	2,702,096,481	2,427,392,192
TOTAL ASSESSED VALUATION	14,194,444,725	14,630,579,023	14,600,781,105	14,837,702,965	15,147,827,208

Sevate Assessment + Taxation 9-30-93 attach 14-1

INHERITANCE TAX ACT CHANGES

K.S.A. 79-1537b is hereby amended to read as follows:

(b)(2)(10) A specific portion of property shall be treated as separate property. [For purposes of this provision, the term "specific portion" only includes a portion determined on a fractional or percentage basis.]

(b)(3) A qualified terminable interest property election with respect to any property shall be made by the personal representative of the decedent's estate in such manner as the secretary shall prescribe by rules and regulations. No election may be made under this section with respect to [property in] an estate unless an election has [also] been made with respect to [the same qualified terminable interest property] such estate under the provisions of 26 U.S.C. 2056 (b)(7). Any election made under this section shall be irrevocable.

K.S.A. 79-1537[(b)(4)] Notwithstanding the foregoing provisions of this paragraph, with respect to qualified terminable interest property includable in the decedent's estate under K.S.A. _____, the relationship of the distributees of such property shall be determined by their relationship to the individual whose estate made a K.S.A. 79-1537b (6)(3) election with respect to such property.]

K.S.A. 79-1564(d)(3) Where an asset not within the custody or control of a personal representative gives rise to a tax liability and such personal representative is required [to pay such tax] or has voluntarily paid such tax from the assets within such personal representative's custody or control, the personal representative shall have a right to proceed against the individual distributee receiving such share and may perfect a lien therefor under the provisions of K.S.A. 79-1569, and amendments thereto. [For the purpose of this paragraph, the personal representative shall be entitled to recover from the distributee the amount by which the total tax liability of the decedent's estate resulting from such assets outside the control of the personal representative and received by the distributee exceeds the total tax liability which would have been payable if the value of such property had not been included in the decedent's gross estate.]

K.S.A. 79-1542(d) "Distributee" means a beneficiary, legatee, devisee, heir, next of kin, grantee, donee, vendee, joint tenant or any other successor [in interest, whether outright or in trust.]

Senate Assessment & Taxation

9-30-93

Attachment 15