

SESSION OF 2009

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 228**

As Amended by Senate Committee on  
Assessment and Taxation

**Brief\***

SB 228, as amended, would provide a property tax exemption beginning in tax year 2010 for certain vehicles leased for at least one year which would otherwise be property tax exempt if being actually and regularly used for literary, educational, scientific, religious, benevolent, or charitable purposes; or would otherwise be exempt by virtue of being used exclusively by the state or a political subdivision.

**Background**

Proponents, who included the League of Kansas Municipalities and Enterprise Fleet Management, said that vehicles purchased by governmental entities are normally exempt from property taxes, while vehicles being leased by such entities are taxable (unless being purchased pursuant to a lease-purchase agreement).

The Senate Taxation Committee amendment is technical in nature.

A fiscal note indicated that the narrowing of the tax base contemplated by the bill would be expected to have a small but indeterminate impact on state building funds.

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>