

Substitute for HOUSE BILL No. 2609

By Committee on Taxation

3-18

1 AN ACT concerning property tax; relating to exemptions for certain
2 electric generation facilities; providing a property tax exemption for
3 new electric generation facilities and new pollution control devices and
4 additions constructed or installed at electric generation facilities;
5 discontinuing the current property tax exemptions for certain existing
6 electric generation facilities; amending K.S.A. 79-257 and 79-258 and
7 repealing the existing sections.
8

9 *Be it enacted by the Legislature of the State of Kansas:*

10 New Section 1. (a) The following described property, to the extent
11 herein specified, shall be exempt from all property or ad valorem taxes
12 levied under the laws of the state of Kansas:

13 (1) Any new electric generation facility.

14 (2) Any new addition to a new or existing electric generation facility.

15 (3) Any new pollution control device constructed or installed on or
16 after January 1, 2025, at a new or existing electric generation facility.

17 (b) The provisions of this section shall apply from and after
18 commencement of construction or installation of such property and for the
19 10 taxable years immediately following the taxable year in which
20 construction or installation of such property is completed.

21 (c) As used in this section:

22 (1) "Existing electric generation facility" means an electric generation
23 facility described in K.S.A. 66-104(e) or 66-128(b)(2)(C), and
24 amendments thereto, that is in existence on December 31, 2024. "Existing
25 electric generation facility" does not include an electric generation facility
26 that converts wind, solar, biomass, landfill gas or any other renewable
27 source of energy to electricity.

28 (2) "New addition" means any real or tangible personal property
29 constructed or installed on or after January 1, 2025, for incorporation in
30 and use as part of a new or existing electric generation facility.

31 (3) "New electric generation facility" means an electric generation
32 facility described in K.S.A. 66-104(e) or 66-128(b)(2)(C), and
33 amendments thereto, and the commencement of construction of such
34 facility began on or after January 1, 2025. "New electric generation
35 facility" includes any electric generation facility that utilizes nuclear
36 energy for the generation of electricity. "New electric generation facility"

1 does not include any electric generation facility that converts wind, solar,
2 biomass, landfill gas or any other renewable source of energy to electricity.

3 (d) The provisions of this section shall apply to all taxable years
4 commencing after December 31, 2024.

5 Sec. 2. K.S.A. 79-257 is hereby amended to read as follows: 79-257.
6 The following described property, to the extent herein specified, shall be
7 exempt from all property or ad valorem taxes levied under the laws of the
8 state of Kansas:

9 (a) All electric generation facilities described in ~~subsection (e) of~~
10 K.S.A. 66-104(e), and amendments thereto.

11 (b) The provisions of subsection (a) shall apply:

12 (1) Except as provided in paragraph (2), from and after
13 commencement of construction of such property and for the 12 taxable
14 years immediately following the taxable year in which construction of
15 such property is completed; or

16 (2) for peak load plants, from and after commencement of
17 construction of such property and for the six taxable years immediately
18 following the taxable year in which construction of such property is
19 completed.

20 (c) All pollution control devices purchased for or constructed or
21 installed at electric generation facilities described in ~~subsection (e) of~~
22 K.S.A. 66-104(e), and amendments thereto.

23 (d) The provisions of subsection (c) shall apply:

24 (1) Except as provided in paragraph (2), from and after purchase or
25 commencement of construction or installation of such property and for the
26 12 taxable years immediately following the taxable year in which such
27 property is purchased or construction or installation of such property is
28 completed; or

29 (2) for a peak load plant, from and after purchase or commencement
30 of construction or installation of such property and for the six taxable
31 years immediately following the taxable year in which such property is
32 purchased or construction or installation of such property is completed.

33 (e) The provisions of this section shall apply to all taxable years
34 commencing after December 31, 2000, *but only to property for which the*
35 *applicant filed an application for exemption pursuant to this section on or*
36 *before December 31, 2024. No application for exemption pursuant to this*
37 *section shall be filed after December 31, 2024.*

38 Sec. 3. K.S.A. 79-258 is hereby amended to read as follows: 79-258.
39 The following described property, to the extent herein specified, shall be
40 exempt from all property taxes levied under the laws of the state of
41 Kansas:

42 (a) All electric generation facilities and additions to electric
43 generation facilities described in ~~subsection (b)(2)(C) of~~ K.S.A. 66-128(b)

1 (2)(C), and amendments thereto.

2 (b) The provisions of subsection (a) shall apply: (1) Except as
3 provided in paragraph (2), from and after commencement of construction
4 of such property and for the 10 taxable years immediately following the
5 taxable year in which construction of such property is completed; or (2)
6 for a peak load plant, from and after commencement of construction of
7 such peak load plant and for the four taxable years immediately following
8 the taxable year in which construction of such property is completed.

9 (c) All pollution control devices purchased for or constructed or
10 installed at electric generation facilities described in ~~subsection (b)(2)(C)~~
11 ~~of~~ K.S.A. 66-128(b)(2)(C), and amendments thereto.

12 (d) The provisions of subsection (c) shall apply:

13 (1) Except as provided in paragraph (2), from and after purchase or
14 commencement of construction or installation of such property and for the
15 10 taxable years immediately following the taxable year in which such
16 property is purchased or construction or installation of such property is
17 completed; or

18 (2) for a peak load plant, from and after purchase or commencement
19 of construction or installation of such property and for the four taxable
20 years immediately following the taxable year in which such property is
21 purchased or construction or installation of such property is completed.

22 (e) As used in this section, "peak load plant" means an electric
23 generation facility used during maximum load periods.

24 (f) The provisions of this section shall apply to all taxable years
25 commencing after December 31, 2000, *but only to property for which the*
26 *applicant filed an application for exemption pursuant to this section on or*
27 *before December 31, 2024. No application for exemption pursuant to this*
28 *section shall be filed after December 31, 2024.*

29 Sec. 4. K.S.A. 79-257 and 79-258 are hereby repealed.

30 Sec. 5. This act shall take effect and be in force from and after its
31 publication in the statute book.