

Senate Bill 117 Strother Field Airport/Industrial Park House Tax Committee March 6, 2025 Proponent

The Strother Field Airport/Industrial Park is requesting your support for Senate Bill 117 because it is an important economic development measure for Kansas and will prevent the residents of Arkansas City and Winfield from having to pay property taxes to support the airport.

Strother Field is a municipal airport/industrial park owned by Arkansas City and Winfield. The Strother Field Airport/Industrial Park is an economic engine for South Central Kansas. \$2.1-billion economic impact. 1,700 jobs. \$189-million payroll.

It operates without collecting a single dollar of property tax from Ark City and Winfield residents. That's because the rents paid by companies located in the industrial park cover the costs.

But the ability of Strother Field to be self-supporting is being threatened by confusion over the tax exempt status of the entire airport and industrial park property previously approved by the Legislature.

In 1991 and 1992, the Kansas Legislature amended KSA 79-201. It recognized the unique nature of Strother Field and exempted all of the land and buildings from property tax. Jump forward two decades and the Board of Tax Appeals failed to recognize the special Strother Field status.

Arkansas City and Winfield have since had to argue five cases before the Board of Tax Appeals. They've won four out of five and are appealing the most recent case.

The legal cost of challenging those decisions and the substantial cost of having to pay property tax on buildings and land which the Legislature intended to be exempt are threatening Strother Field's ability to be self-supporting.

If the revenues generated by the airport/industrial park go to paying taxes or fight legal cases, Strother Field could lose its ability to be self-supporting. So far that expense exceeds \$500,000.

That means Arkansas City and Winfield could be forced to impose an airport property tax on residents. It could also damage the economic power Strother Field generates for South Central Kansas.

Approving the Strother Field legislation will prevent those things from happening and return the airport/industrial park status to what the Kansas Legislature originally intended more than two decades ago.

Strother Field Airport and Industrial Park is represented by: Mike Taylor

StrategyConsultants

