



KANSAS
ASSOCIATION OF
COUNTIES

715 SW 10th Avenue • Topeka, KS 66612
785-272-2585 • www.kansascounties.org

Senate Assessment and Taxation Committee
January 13, 2025
SCR 1616

Kansas Association of Counties
Neutral Testimony – Written Testimony

Chairwoman Tyson and members of the Committee:

Thank you for allowing the Kansas Association of Counties to offer neutral testimony on this proposed constitutional amendment, which would place a 3% cap on valuation increases for property for taxation purposes.

Property valuation is one part of the overall taxation amount. Real estate is generally regarded as an appreciating asset, rather than a depreciating asset. Appreciating assets typically increase in value over time. This can significantly change the value of real estate, making real estate an attractive asset to own. Any change in policy could impact the overall market. Those market effects must be carefully considered.

It should also be noted that real estate in Kansas is typically undervalued relative to sale price, as reflected in the Department of Revenue ratio studies.¹

This constitutional amendment would cap those increases at 3%, meaning that the overall increase would not exceed 3% year over year. There are both benefits and drawbacks to this proposal that must be considered before voting.

The major benefit for taxpayers is predictability. Knowing that the value of their property would not increase more than 3% in any given year would give property taxpayers an element of predictability on what their valuation would be. There could also be predictability for counties, as they would be able to anticipate what many properties would be taxed at for the next year for tax purposes. This would not change appraisal practices.

This could also benefit counties, as this would likely lead to fewer disputes about a property's valuation since the valuation increases would be more predictable year to year. This could result in counties being able to allocate resources to things other than valuation disputes. A drop in disputes could also increase overall confidence in the appraisal and valuation system.

The major drawback of this proposal is resetting the base year to 2022. Many homes in Kansas have sold since 2022. Resetting the valuation of these homes based on 2022 could, in many cases, result in a current valuation that is lower than the sale price the current owner paid for the home.

¹ <https://www.ksrevenue.gov/pvdratiostats.html>

In addition, this could discourage new construction. On page 3, line 28, the resolution states that the benefits of the limitation remain even if the property is conveyed, transferred or changed. This means that existing property would be taxed at a different level than new construction. This could create inequity between new construction and homes that exist in the same development that were built prior to 2022 versus after 2022.

It is also difficult to anticipate how this may impact the housing market in different parts of the state, as the tax burden in areas where there are lots of new homes built would be very different than the burden in areas with few new homes being built. This could make growth in some areas more difficult.

As with any proposed shift in property tax policy, there are benefits and drawbacks for the committee to consider. Thank you for the opportunity to present this perspective on this legislation.

Jay Hall
Deputy Director and General Counsel
Kansas Association of Counties
hall@kansascounties.org
(785)272-2585