

House Concurrent Resolution No. 5025

By Representatives Osman, Amyx, Ballard and Woodard

2-2

A PROPOSITION to amend section 1 of article 11 of the constitution of the state of Kansas; relating to assessed valuation of property in determining property taxes for real property used for residential purposes and real property necessary to accommodate a residential community of mobile or manufactured homes.

Be it resolved by the Legislature of the State of Kansas, two-thirds of the members elected (or appointed) and qualified to the House of Representatives and two-thirds of the members elected (or appointed) and qualified to the Senate concurring therein:

Section 1. The following proposition to amend the constitution of the state of Kansas shall be submitted to the qualified electors of the state for their approval or rejection: Section 1 of article 11 of the constitution of the state of Kansas is hereby amended to read as follows:

"§ 1. System of taxation; classification; exemption. (a) The provisions of this subsection shall govern the assessment and taxation of property on and after January 1, ~~2013~~ 2027, and each year thereafter. Except as otherwise hereinafter specifically provided, the legislature shall provide for a uniform and equal basis of valuation and rate of taxation of all property subject to taxation. The legislature may provide for the classification and the taxation uniformly as to class of recreational vehicles and watercraft, as defined by the legislature, or may exempt such class from property taxation and impose taxes upon another basis in lieu thereof. The provisions of this subsection shall not be applicable to the taxation of motor vehicles, except as otherwise hereinafter specifically provided, mineral products, money, mortgages, notes and other evidence of debt and grain. Property shall be classified into the following classes for the purpose of assessment and assessed at the percentage of value prescribed therefor:

Class 1 shall consist of real property. Real property shall be further classified into seven subclasses. Such property shall be defined by law for the purpose of subclassification and assessed uniformly as to subclass at the following percentages of value:

- (1) Real property used for residential purposes including multi-family residential real property and real property necessary to

- 1 accommodate a residential community of mobile or manufactured
- 2 homes including the real property upon which such homes are
- 3 located.....~~11 1/2%~~9%
- 4 (2) Land devoted to agricultural use which shall be valued upon the
- 5 basis of its agricultural income or agricultural productivity pursuant
- 6 to section 12 of article 11 of the constitution.....30%
- 7 (3) Vacant lots.....12%
- 8 (4) Real property which is owned and operated by a not-for-profit
- 9 organization not subject to federal income taxation pursuant to
- 10 section 501 of the federal internal revenue code, and which is
- 11 included in this subclass by law.....12%
- 12 (5) Public utility real property, except railroad real property which shall
- 13 be assessed at the average rate that all other commercial and
- 14 industrial property is assessed.....33%
- 15 (6) Real property used for commercial and industrial purposes and
- 16 buildings and other improvements located upon land devoted to
- 17 agricultural use.....25%
- 18 (7) All other urban and rural real property not otherwise specifically
- 19 subclassified.....30%

20 Class 2 shall consist of tangible personal property. Such
 21 tangible personal property shall be further classified into six
 22 subclasses, shall be defined by law for the purpose of
 23 subclassification and assessed uniformly as to subclass at the
 24 following percentages of value:

- 25 (1) Mobile homes used for residential purposes.....11 1/2%
- 26 (2) Mineral leasehold interests except oil leasehold interests the average
- 27 daily production from which is five barrels or less, and natural gas
- 28 leasehold interests the average daily production from which is 100
- 29 mcf or less, which shall be assessed at 25%.....30%
- 30 (3) Public utility tangible personal property including inventories
- 31 thereof, except railroad personal property including inventories
- 32 thereof, which shall be assessed at the average rate all other
- 33 commercial and industrial property is
- 34 assessed.....33%
- 35 (4) All categories of motor vehicles not defined and specifically valued
- 36 and taxed pursuant to law enacted prior to January 1, 1985.....30%
- 37 (5) Commercial and industrial machinery and equipment which, if its
- 38 economic life is seven years or more, shall be valued at its retail cost
- 39 when new less seven-year straight-line depreciation, or which, if its
- 40 economic life is less than seven years, shall be valued at its retail
- 41 cost when new less straight-line depreciation over its economic life,
- 42 except that, the value so obtained for such property, notwithstanding
- 43 its economic life and as long as such property is being used, shall

- 1 not be less than 20% of the retail cost when new of such property
225%
3 (6) All other tangible personal property not otherwise specifically
4 classified.....30%

5 (b) All property used exclusively for state, county, municipal,
6 literary, educational, scientific, religious, benevolent and charitable
7 purposes, farm machinery and equipment, merchants' and
8 manufacturers' inventories, other than public utility inventories
9 included in subclass (3) of class 2, livestock, and all household
10 goods and personal effects not used for the production of income,
11 shall be exempted from property taxation."

12 Sec. 2. The following statement shall be printed on the ballot with
13 the amendment as a whole:

14 "*Explanatory statement.* This amendment would decrease the
15 assessed valuation in determining property taxes for real
16 property used for residential purposes.

17 "A vote for this proposition would decrease the assessed
18 valuation in determining property taxes for real property
19 used for residential purposes from 11½% to 9%.

20 "A vote against this proposition would continue the assessed
21 valuation of real property used for residential purposes at
22 11½%."

23 Sec. 3. This resolution, if approved by two-thirds of the members
24 elected (or appointed) and qualified to the House of Representatives and
25 two-thirds of the members elected (or appointed) and qualified to the
26 Senate, shall be entered on the journals, together with the yeas and nays.
27 The secretary of state shall cause this resolution to be published as
28 provided by law and shall cause the proposed amendment to be submitted
29 to the electors of the state at the general election in November in the year
30 2026, unless a special election is called at a sooner date by concurrent
31 resolution of the legislature, in which case, the proposed proposition shall
32 be submitted to the electors of the state at the special election.