

As Amended by House Committee

{As Amended by Senate Committee of the Whole}

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Session of 2025

**Senate Concurrent Resolution No. 1603**

By Senators Tyson, Alley, Blasi, Bowser, J.R. Claeys, Joseph Claeys, Erickson, Gossage, Klemp, Kloos, Masterson, Murphy, Peck, Petersen, Shallenburger, Starnes, Thompson and Warren

1-15

1 A PROPOSITION to amend section 1 of article 11 of the constitution of  
2 the state of Kansas; relating to property taxation; ~~limiting valuation~~  
3 ~~increases for real property and for personal property classified as~~  
4 ~~mobile homes used for residential purposes~~ **valuing residential real**  
5 **property, commercial and industrial real property and mobile**  
6 **homes personal property based on the fair market value or**  
7 **average fair market value.**

8  
9 *Be it resolved by the Legislature of the State of Kansas, two-thirds of the*  
10 *members elected (or appointed) and qualified to the Senate and*  
11 *two-thirds of the members elected (or appointed) and qualified*  
12 *to the House of Representatives concurring therein:*

13  
14 Section 1. The following proposition to amend the constitution of  
15 the state of Kansas shall be submitted to the qualified electors of the state  
16 for their approval or rejection: Section 1 of article 11 of the constitution  
17 of the state of Kansas is hereby amended to read as follows:

18 **"§ 1. System of taxation; classification; exemption.** (a)

19 The provisions of this subsection shall govern the assessment  
20 and taxation of property on and after January 1, ~~2013~~ ~~2026~~  
21 **2027**, and each year thereafter. Except as otherwise hereinafter  
22 specifically provided, the legislature shall provide for a uniform  
23 and equal basis of valuation and rate of taxation of all property  
24 subject to taxation. The legislature may provide for the  
25 classification and the taxation uniformly as to class of  
26 recreational vehicles and watercraft, as defined by the  
27 legislature, or may exempt such class from property taxation  
28 and impose taxes upon another basis in lieu thereof. The  
29 provisions of this subsection shall not be applicable to the  
30 taxation of motor vehicles, except as otherwise hereinafter

1 specifically provided, mineral products, money, mortgages,  
2 notes and other evidence of debt and grain.

3 ~~The final taxable appraised value of real property classified~~  
4 ~~in any subclass and personal property classified as mobile~~  
5 ~~homes used for residential purposes shall not increase by more~~  
6 ~~than 3%, or a lesser percentage as provided by law, in any~~  
7 ~~taxable year except when:~~

8 ~~(1) The property includes new construction or~~  
9 ~~improvements have been made to the property;~~

10 ~~(2) the class or subclass of the property changes for~~  
11 ~~assessment rate purposes;~~

12 ~~(3) the property becomes disqualified from exemption;~~

13 ~~(4) the property is first listed as escaped or omitted~~  
14 ~~property, or an error is corrected; or~~

15 ~~(5) the legal description of the land, lot or parcel changes,~~  
16 ~~except that the total final taxable appraised value of all~~  
17 ~~property affected by a legal description change shall not exceed~~  
18 ~~the total final taxable appraised value of the affected property,~~  
19 ~~for the previous year by more than 3%, or a lesser percentage,~~  
20 ~~as provided by law; or~~

21 ~~(6) title to the property is transferred, changed or~~  
22 ~~conveyed to another person or entity.~~

23 ~~The benefits of the valuation limitation shall remain in~~  
24 ~~place whenever title to the property is transferred, changed or~~  
25 ~~conveyed to another person or entity, unless the legislature~~  
26 ~~enacts provisions that provide for exceptions. For property~~  
27 ~~that is subject to the valuation limitation, the final taxable~~  
28 ~~appraised value each year shall be the appraised value of the~~  
29 ~~property determined as otherwise provided by law without the~~  
30 ~~application of the valuation limitation provisions or the~~  
31 ~~limited appraised value of the property determined by the~~  
32 ~~application of the valuation limitation provisions, whichever~~  
33 ~~is less. {For tax year 2026, the final taxable appraised value of~~  
34 ~~such property shall not increase by more than 3%, or a lesser~~  
35 ~~percentage as provided by law, as compared to the tax year~~  
36 ~~2022 appraised value of such property unless an exception~~  
37 ~~applies.} The legislature may define new construction or~~  
38 ~~improvements by law and enact other legislation to administer~~  
39 ~~this provision. All or any portion of the benefits of the valuation~~  
40 ~~limitation may be portable or transferable under certain~~  
41 ~~circumstances as defined and provided by state statute.~~

42 The taxable valuation of real property used for  
43 residential purposes including multi-family residential real

1     **property and real property necessary to accommodate a**  
 2     **residential community of mobile or manufactured homes**  
 3     **including the real property upon which such homes are**  
 4     **located, classified for property tax purposes pursuant to**  
 5     **subclass (1) of class 1, real property used for commercial**  
 6     **and industrial purposes and buildings and other**  
 7     **improvements located upon land devoted to agricultural use**  
 8     **pursuant to subclass (6) of class 1 and tangible personal**  
 9     **property classified as mobile homes used for residential**  
 10    **purposes pursuant to subclass (1) of class 2 shall be**  
 11    **determined based on the lesser of the fair market value or**  
 12    **the average fair market value of that portion, as defined by**  
 13    **law. The legislature may provide for and establish by law**  
 14    **the number of years in determining the average fair market**  
 15    **value and valuation adjustments by law for new**  
 16    **construction or improvements, changes in property use,**  
 17    **property that is listed as escaped or omitted property,**  
 18    **changes to the description of the land, lot or parcel.**

19     Property shall be classified into the following classes for the  
 20     purpose of assessment and assessed at the percentage of value  
 21     prescribed therefor:

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

- 26    (1) Real property used for residential purposes including multi-family  
 27        residential real property and real property necessary to  
 28        accommodate a residential community of mobile or manufactured  
 29        homes including the real property upon which such homes are  
 30        located.....11<sup>1</sup>/<sub>2</sub>%
- 31    (2) Land devoted to agricultural use which shall be valued upon the  
 32        basis of its agricultural income or agricultural productivity pursuant  
 33        to section 12 of article 11 of the constitution.....30%
- 34    (3) Vacant lots.....12%
- 35    (4) Real property which is owned and operated by a not-for-profit  
 36        organization not subject to federal income taxation pursuant to  
 37        section 501 of the federal internal revenue code, and which is  
 38        included in this subclass by law.....12%
- 39    (5) Public utility real property, except railroad real property which shall  
 40        be assessed at the average rate that all other commercial and  
 41        industrial property is assessed.....33%
- 42    (6) Real property used for commercial and industrial purposes and  
 43        buildings and other improvements located upon land devoted to

- 1 agricultural use.....25%
- 2 (7) All other urban and rural real property not otherwise specifically
- 3 subclassified.....30%

4 Class 2 shall consist of tangible personal property. Such  
 5 tangible personal property shall be further classified into six  
 6 subclasses, shall be defined by law for the purpose of  
 7 subclassification and assessed uniformly as to subclass at the  
 8 following percentages of value:

- 9 (1) Mobile homes used for residential purposes.....11½%
- 10 (2) Mineral leasehold interests except oil leasehold interests the average
- 11 daily production from which is five barrels or less, and natural gas
- 12 leasehold interests the average daily production from which is 100
- 13 mcf or less, which shall be assessed at 25%.....30%
- 14 (3) Public utility tangible personal property including inventories
- 15 thereof, except railroad personal property including inventories
- 16 thereof, which shall be assessed at the average rate all other
- 17 commercial and industrial property is assessed.....33%
- 18 (4) All categories of motor vehicles not defined and specifically valued
- 19 and taxed pursuant to law enacted prior to January 1, 1985.....30%
- 20 (5) Commercial and industrial machinery and equipment which, if its
- 21 economic life is seven years or more, shall be valued at its retail cost
- 22 when new less seven-year straight-line depreciation, or which, if its
- 23 economic life is less than seven years, shall be valued at its retail
- 24 cost when new less straight-line depreciation over its economic life,
- 25 except that, the value so obtained for such property, notwithstanding
- 26 its economic life and as long as such property is being used, shall
- 27 not be less than 20% of the retail cost when new of such property
- 28 .....25%
- 29 (6) All other tangible personal property not otherwise specifically
- 30 classified.....30%

31 (b) All property used exclusively for state, county,  
 32 municipal, literary, educational, scientific, religious, benevolent  
 33 and charitable purposes, farm machinery and equipment,  
 34 merchants' and manufacturers' inventories, other than public  
 35 utility inventories included in subclass (3) of class 2, livestock,  
 36 and all household goods and personal effects not used for the  
 37 production of income, shall be exempted from property  
 38 taxation."

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

41 "Explanatory statement. This amendment would ~~limit annual~~  
 42 ~~valuation increases to 3%, or a lesser percentage as provided~~  
 43 ~~by law, for purposes of property taxation for real property.~~

1 ~~classified in any subclass and personal property classified as~~  
2 ~~mobile homes used for residential purposes except when the~~  
3 ~~property includes new construction or improvements have~~  
4 ~~been made to the property, the class or subclass of the~~  
5 ~~property changes, the property becomes disqualified from~~  
6 ~~exemption, the property is first listed as escaped or omitted~~  
7 ~~property, an error is corrected, or the legal description of the~~  
8 ~~property changes or title to the property is transferred,~~  
9 ~~changed or conveyed to another person or entity value real~~  
10 ~~property used for residential purposes provided under~~  
11 ~~section 1 of article 11 of the Constitution of the State of~~  
12 ~~Kansas in subclass (1) of class 1, real property used for~~  
13 ~~commercial and industrial purposes and buildings and~~  
14 ~~other improvements located upon land devoted to~~  
15 ~~agricultural use pursuant to subclass (6) of class 1 and~~  
16 ~~tangible personal property classified as mobile homes~~  
17 ~~used for residential purposes pursuant to subclass (1) of~~  
18 ~~class 2 based on the lesser of the fair market value or the~~  
19 ~~average fair market value of that portion. The~~  
20 ~~amendment would also authorize the legislature to~~  
21 ~~establish by law the number of years in determining the~~  
22 ~~average fair market value and provide valuation~~  
23 ~~adjustments by law in certain circumstances.~~

24 "A vote for this proposition would ~~limit annual valuation~~  
25 ~~increases to 3%, or a lesser percentage as provided by law,~~  
26 ~~for real property classified in any subclass and personal~~  
27 ~~property classified as mobile homes used for residential~~  
28 ~~purposes except when the property includes new~~  
29 ~~construction or improvements have been made to the~~  
30 ~~property, the class or subclass of the property changes, the~~  
31 ~~property becomes disqualified from exemption, the property~~  
32 ~~is first listed as escaped or omitted property, an error is~~  
33 ~~corrected, or the legal description of the property changes or~~  
34 ~~title to the property is transferred, changed or conveyed to~~  
35 ~~another person or entity. ***The amendment would provide for***~~  
36 ~~***the benefits of the valuation limitation to remain in place***~~  
37 ~~***whenever title to the property is transferred, changed or***~~  
38 ~~***conveyed to another person or entity, unless the legislature***~~  
39 ~~***enacts provisions that provide for exceptions. The***~~  
40 ~~***amendment would clarify that for property subject to the***~~  
41 ~~***valuation limitation, the final taxable appraised value each***~~  
42 ~~***year would be the appraised value of the property***~~  
43 ~~***determined without the application of the valuation***~~

1 ~~*limitation provisions or the limited appraised value of the*~~  
2 ~~*property determined by the application of the valuation*~~  
3 ~~*limitation provisions, whichever is less. (The amendment*~~  
4 ~~*would also roll back the valuation starting point to provide*~~  
5 ~~*that for tax year 2026, the final taxable appraised value of*~~  
6 ~~*such property shall not increase by more than 3%, or a*~~  
7 ~~*lesser percentage as provided by law, as compared to the*~~  
8 ~~*tax year 2022 appraised value of such property unless an*~~  
9 ~~*exception applies.)*~~ The amendment would authorize the  
10 legislature to define new construction or improvements and  
11 enact other legislation to administer the provision. The  
12 amendment would also allow for the portability or transfer  
13 of all or any portion of valuation limitation benefits under  
14 certain circumstances as defined and provided by state  
15 statute: value parcels of real property used for residential  
16 purposes including multi-family residential real property  
17 and real property necessary to accommodate a  
18 residential community of mobile or manufactured homes  
19 including the real property upon which such homes are  
20 located, real property used for commercial and industrial  
21 purposes and buildings and other improvements located  
22 upon land devoted to agricultural use and tangible  
23 personal property classified as mobile homes used for  
24 residential purposes based on the lesser of the fair  
25 market value or the average fair market value of that  
26 portion. The amendment would also authorize the  
27 legislature to establish by law the number of years in  
28 determining the average fair market value and provide  
29 valuation adjustments for new construction or  
30 improvements, changes in property use, property that is  
31 listed as escaped or omitted property, changes to the  
32 description of the land, lot or parcel and property that  
33 lacks established valuations.

34 "A vote against this proposition would provide no change to the  
35 Kansas constitution."

36 Sec. 3. This resolution, if approved by two-thirds of the members  
37 elected (or appointed) and qualified to the Senate and two-thirds of the  
38 members elected (or appointed) and qualified to the House of  
39 Representatives, shall be entered on the journals, together with the yeas  
40 and nays. The secretary of state shall cause this resolution to be published  
41 as provided by law and shall cause the proposed amendment to be  
42 submitted to the electors of the state at a special election, which is hereby  
43 called on November 4, 2025, pursuant to section 1 of article 14 of the

- 1 constitution of the state of Kansas, to be held in conjunction with the
- 2 general election held on such date.