

REVISED
SESSION OF 2025

**SUPPLEMENTAL NOTE ON SENATE SUBSTITUTE FOR
HOUSE CONCURRENT RESOLUTION NO. 5011**

As Recommended by Senate Committee on
Assessment and Taxation

Brief*

Senate Sub. for HCR 5011, as amended, if adopted by a two-thirds majority of each chamber of the Kansas Legislature and approved by voters, would amend the *Kansas Constitution* to generally limit, for property tax purposes, the growth of taxable value of any real property or residential mobile home personal property to 3 percent per year.

The limit would not apply when:

- The property includes new construction or improvements have been made;
- The class or subclass of the property changes for assessment rate purposes;
- The property becomes disqualified from exemption;
- The property is first listed as escaped or omitted property; or
- The legal description of the parcel changes, except the valuation of all property affected by a legal description change would not be permitted to exceed 3 percent of the total valuation of the affected property of the previous year.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <https://klrd.gov/>

The concurrent resolution specifies the benefits of the valuation limitation would remain in place when title to the property is transferred, changed, or conveyed to another person, unless the Legislature enacts provisions providing for exceptions.

The concurrent resolution provides for the final taxable appraised value to be the lesser of the appraised value of the property determined without the application of the valuation limitation and the limited appraised value determined by the application of the valuation limitation. For tax year 2026, the concurrent resolution provides for the final taxable appraised value to increase by 3 percent, or a lesser amount provided by law, relative to the 2022 appraised value of the property, unless one of the exceptions provided for by the concurrent resolution applies to the property.

The Legislature would be authorized to define “new construction or improvements” and enact other implementing legislation.

The concurrent resolution requires the following explanatory statement to be printed on the ballot with the text of the amendment if it is submitted to the voters for their approval:

This amendment would limit annual valuation increases to 3 percent for real property for purposes of property taxation except when the property includes new construction or improvements have been made to the property, the class or subclass of the property changes, the property becomes disqualified from exemption, the property is first listed as escaped or omitted property, or the legal description of the property changes.

A vote for this proposition would limit annual valuation increases to 3 percent for real property for purposes of property taxation except when the property includes new construction or improvements have been made to the property, the class or subclass of the property changes, the property becomes disqualified from exemption, the property is first listed as escaped or omitted property, or the legal description of the property changes. The amendment would provide for the benefits of the valuation limitation to remain in place whenever title to the property is transferred, changed, or conveyed to another person or entity, unless the Legislature enacts provisions that provide for exceptions. The amendment would clarify that for property subject to the valuation limitation, the final taxable appraised value each year would be the appraised value of the property determined without the application of the valuation limitation provisions or the limited appraised value of the property determined by the application of the valuation limitation provisions, whichever is less. The amendment would also roll back the valuation starting point to provide for tax year 2026, the final taxable appraised value of such property shall not increase by more than 3 percent, or a lesser percentage as provided by law, as compared to the tax year 2022 appraised value of such property unless an exception applies. The amendment would authorize the legislature to define new construction or improvements and to enact such other legislation as is necessary to administer the provision.

A vote against this proposition would provide no change to the *Kansas Constitution*.

If approved by two-thirds of the Legislature, the text of the resolution and the yea and nay votes of both the Kansas House of Representatives and the Kansas Senate would be published in the journals of both chambers.

The resolution requires the proposed constitutional amendment to be submitted to voters at a special election to be called on November 4, 2025, to be held in conjunction with the general election to be held on that date.

Background

The Senate Committee on Assessment and Taxation amended the concurrent resolution to remove the contents and insert the contents of SCR 1603, as amended by the Senate Committee of the Whole. The background for both concurrent resolutions is provided below.

SCR 5011

The concurrent resolution was introduced by the House Committee on Taxation at the request of Representative A. Smith.

House Committee on Taxation

In the House Committee hearing, **proponent** testimony was provided by a representative of the Kansas Policy Institute and a Shawnee County Commissioner. The proponents generally stated the proposed amendment would reduce the volatility of property tax valuations, resulting in more steady and predictable tax bills for homeowners.

Opponent testimony was provided by a private citizen, who stated the proposed amendment would not resolve

problems with the property valuation system and a specific valuation growth cap would provide a solution to the challenges.

Neutral testimony was provided by representatives of the Kansas Association of School Boards, Kansas Chamber, Kansas Livestock Association, Kansas Manufactured Housing Association, and Leavenworth County Board of County Commissioners and by a Sedgwick County Commissioner.

Written-only neutral testimony was provided by Representative Fairchild and representatives of Kansas Action for Children, Kansas Association of Counties, Kansas Association of Realtors, Kansas County Appraisers Association, Kansas Farm Bureau, Kansas Grain and Feed Association and Renew Kansas Biofuels Association, and League of Kansas Municipalities.

No other testimony was provided.

The House Committee amended the concurrent resolution to include commercial and industrial real property, improvements to agricultural land, and mobile homes to the averaging provision.

Senate Committee on Assessment and Taxation

In the Senate Committee hearing, **proponent** testimony was provided by a representative of the Kansas Policy Institute, who generally stated the proposed amendment would blunt property tax increases and suggested several possible changes to the amendment.

Written-only proponent testimony was provided by a private citizen.

Neutral testimony was provided by representatives of the Kansas Association of School Boards, Kansas Chamber

of Commerce, and Kansas Livestock Association and a Leavenworth County Commissioner.

Written-only neutral testimony was provided by representatives of Kansas Action for Children, Kansas Association of Counties, Kansas County Appraisers Association, Kansas Farm Bureau, and League of Kansas Municipalities.

Opponent testimony was provided by a representative of the City of Bel Aire, who generally stated the proposed amendment would have little effect on property taxes and would confuse citizens regarding property tax expectations.

No other testimony was provided.

SCR 1603

The concurrent resolution was introduced at the request of Senators Tyson, Alley, Blasi, Bowser, J.R. Claeys, Joseph Claeys, Erickson, Gossage, Klemp, Kloos, Masterson, Murphy, Peck, Petersen, Shallenburger, Starnes, Thompson, and Warren.

Senate Committee on Assessment and Taxation

In the Senate Committee hearing, **proponent** testimony was provided by Senator Thompson; representatives of the City of Basehor, Renew Kansas Biofuels Association, and Kansas Policy Institute; a Leavenworth County Commissioner; and a private citizen.

The proponents generally stated increases in property taxes make it difficult for Kansans to remain in their homes, that valuation increases result in tax increases for individuals without requiring notice by local governments, and that the resolution would limit valuation increases over time.

Written-only proponent testimony was provided by three private citizens.

Opponent testimony was provided by representatives of the Kansas Association of Realtors, Kansas Farm Bureau, and the Kansas Livestock Association. The opponents generally stated the approach to limiting property tax provided by the resolution would not result in lower taxes but would shift the burden of taxes paid between classes of property or between properties within the same class and that other approaches are available that would reduce taxes more effectively and more fairly.

Written-only opponent testimony was provided by a Douglas County appraiser and representatives of the cities of Olathe and Overland Park, Kansas Association of School Boards, Kansas National Education Association, and Kansas Action for Children.

Neutral testimony was provided by a representative of the Kansas Chamber, who stated the bill would have the potential to reduce property taxes for some taxpayers but other approaches could lower taxes for more taxpayers without increasing the tax burden for others.

Written-only neutral testimony was provided by Senator Titus and representatives of the League of Kansas Municipalities, Kansas Association of Counties, Kansas County Appraisers Association, and the Kansas Manufactured Housing Association.

No other testimony was provided.

The Senate Committee amended the concurrent resolution to:

- Provide for transferability of the valuation benefit when the title to the property is transferred, changed, or conveyed to another person; and

- Add clarifying language specifying the final taxable amount would be the lesser of the limited assessment value or the market value without the limitation applied.

Senate Committee of the Whole

The Senate Committee of the Whole amended the concurrent resolution to provide for the 2026 valuation to be based on growth relative to the 2022 valuation of the property, unless an exception applies.

Taxation; constitutional amendment; property tax; valuation growth