

SESSION OF 2026

SUPPLEMENTAL NOTE ON SENATE BILL NO. 319

As Recommended by Senate Committee on
Assessment and Taxation

Brief*

SB 319 would provide for property tax rebates for certain residential and commercial property when the property sells for less than 97 percent of the county appraised value.

The rebate amount would be the difference between the property tax levied and paid on the property and the property tax that would have been assessed if the sale price had been the property's appraised value. Rebates under the bill would be available for the year of the sale, on a prorated basis, and for the four preceding years. Rebates would also be reduced by any credit or refund received by the taxpayer pursuant to the Homestead Property Tax Refund Act or the Selective Assistance for Effective Senior Relief income tax credit.

Rebates would be charged to the fund or funds receiving the original property taxes and the county treasurer would be required to notify all affected taxing districts.

Applications for rebates would be required to be filed with the county appraiser on or before December 20 of the year immediately following the year in which the sale occurred. Only one owner of a property would be permitted to seek a rebate and the owner seeking the rebate would be required to have been the owner for each valuation date in question and through the date of the sale.

In the event of delinquent taxes on the property, rebates granted under the provisions of the bill would be paid to

*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/>

county treasurers to be applied to such delinquent taxes beginning with the oldest of such delinquent taxes.

Upon receiving an application, the county appraiser would be required to issue a written decision regarding any rebates. Applicants would be authorized to appeal decisions regarding applications to the State Board of Tax Appeals within 30 days of the mailing or service of such decisions.

In order to qualify for rebates, properties would be required to be in the same subclass of property and in substantially the same condition or superior condition as the relevant valuation date. Properties would not qualify for rebates if they have decreased in square footage, been destroyed or partially destroyed, or experienced severe neglect since the relevant valuation date. Applicants would not qualify if they intentionally altered the property for purposes of the rebate.

Sales would not qualify for rebates unless they are sold in an open and competitive market between unrelated parties acting without undue compulsion. Applicants would not qualify if they accepted less than fair market value for purposes of the rebate.

Background

The bill was introduced by the Senate Committee on Assessment and Taxation at the request of Senator Thompson.

Senate Committee on Assessment and Taxation

In the Senate Committee hearing, **proponent** testimony was provided by Senator Thompson, who generally stated the bill would hold county appraisers and taxing authorities accountable for tax amounts associated with overstated

valuations and give taxpayers an opportunity to recoup tax payments associated with overstated valuations.

Written-only proponent testimony was provided by a representative of the Kansas Chamber of Commerce and by six private citizens.

Opponent testimony was provided by a representative of the Kansas Association of Counties, who generally stated the bill would create property tax shifts among properties, provide asymmetrical rebates to taxpayers without corresponding tax payments in cases of understated valuations, and pose logistical challenges for taxing subdivisions who have no part in the appraisal process.

Written-only opponent testimony was provided by a representative of the League of Kansas Municipalities.

Neutral testimony was provided by a representative of the Kansas Manufactured Housing Association, who requested the bill be amended to include comparable rebates for manufactured housing personal property.

No other testimony was provided.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, the Department of Revenue estimates enactment of the bill could reduce state and local property tax revenue by unknown amounts. The Department of Revenue indicates the costs to create and distribute forms associated with the bill would be negligible and could be absorbed within existing resources.

The Board of Tax Appeals indicates enactment of the bill has the potential to increase filings with the Board by an unknown amount and notes that, if the number of cases is

high, supplemental funding may be requested from the State General Fund.

Any fiscal effect associated with the bill is not reflected in *The FY 2027 Governor's Budget Report*.

Taxation; property tax; rebate; sales price; assessed value