

SESSION OF 2025

**SUPPLEMENTAL NOTE ON SENATE CONCURRENT
RESOLUTION NO. 1603**

As Amended by House Committee on Taxation

Brief*

SCR 1603, 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 provide for the taxable value of certain property to be the lesser of the fair market value of the property or the average fair market value, as defined by law.

The amendment, which would take effect in tax year 2027, would apply to residential real estate, mobile homes used as residential property, commercial and industrial real estate, and buildings and improvements on agricultural land.

The Legislature would be authorized to establish the number of years to be considered in determining the average fair market value and to establish valuation adjustments for new construction or improvements, changes in property use, changes in the description of property, and property listed as escaped or omitted property.

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 value real property used for residential purposes provided under Section 1 of Article 11 of the Constitution of the State of Kansas in subclass (1) of class 1, real

*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/>

property used for commercial and industrial purposes and buildings and other improvements located upon land devoted to agricultural use pursuant to subclass (6) of class 1, and tangible personal property classified as mobile homes used for residential purposes pursuant to subclass (1) of class 2 based on the lesser of the fair market value or the average fair market value of that portion. The amendment would also authorize the Legislature to establish by law the number of years in determining the average fair market value and provide valuation adjustments by law in certain circumstances.

A vote for this proposition would value parcels of real property used for residential purposes including multi-family residential real property and real property necessary to accommodate a residential community of mobile or manufactured homes including real property upon which such homes are located, real property used for commercial and industrial purposes and other improvements located upon land devoted to agricultural use, and tangible personal property classified as mobile homes used for residential purposes based on the lesser of the fair market value or the average fair market value of that portion. The amendment would also authorize the Legislature to establish by law the number of years in determining the average fair market value and provide valuation adjustments for new construction or improvements, changes in property use, property that is listed as escaped or omitted property, changes to the description of the land, lot or parcel and property that lacks established valuations.

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 Kansas Senate would be published in the journals of both chambers.

The concurrent 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

As passed by the Senate, the concurrent resolution would have proposed an amendment to 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, with certain exceptions.

House Committee on Taxation

The House Committee on Taxation deleted the contents of the concurrent resolution and inserted the contents of HCR 5011, as passed by the House.

HCR 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.

Taxation; constitutional amendment; property tax; valuation