

As Amended by House Committee

Session of 2020

HOUSE BILL No. 2517

By Representatives Karleskint, Amyx, Dove and Horn

1-29

1 AN ACT concerning property taxation; relating to agricultural
2 improvement, **public grain warehouse and commercial real**
3 **property** destroyed or substantially destroyed by natural disaster;
4 amending K.S.A. 79-1613 and repealing the existing section.
5

6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. K.S.A. 79-1613 is hereby amended to read as follows: 79-
8 1613. (a) (1) As used in this ~~section~~ subsection:

9 ~~(+)(A)~~ "Destroyed or substantially destroyed" means damage of any
10 origin sustained by a homestead as the direct result of: ~~(A) (i)~~ An
11 earthquake, flood, tornado, fire or storm; or ~~(B) (ii)~~ an event or occurrence
12 ~~which~~ that the governor of the state of Kansas has declared a disaster,
13 whereby the cost of restoring the structure to its before-damaged condition
14 would equal or exceed 50% of the market value of the structure before the
15 damage occurred.

16 ~~(2)(B)~~ "Homestead" means the dwelling, or any part thereof, whether
17 owned or rented, ~~which~~ that is occupied as a residence by the household
18 and so much of the land surrounding it, as defined as a home site for ad
19 valorem tax purposes, and may consist of a part of a multi-dwelling or
20 multi-purpose building and a part of the land upon which it is built or a
21 manufactured home or mobile home and the land upon which it is situated.
22 "Owned" includes a vendee in possession under a land contract, a life
23 tenant, a beneficiary under a trust and one or more joint tenants or tenants
24 in common.

25 ~~(3)~~ "Public or private buyout" means any buyout from a local, state or
26 federal governmental entity or any non-governmental entity, including, but
27 not limited to, an individual, foundation, trust, association, corporation,
28 limited liability company or partnership.

29 ~~(b)(2)~~ The owner of any homestead listed and assessed for property
30 taxation purposes ~~which~~ that was destroyed or substantially destroyed due
31 to an earthquake, flood, tornado, fire, storm, or other event or occurrence
32 ~~which~~ that the governor of the state of Kansas has declared a disaster may
33 make application to the board of county commissioners of the county in
34 which such property is located for the abatement of property taxes levied
35 upon such homestead or for a credit against property taxes payable by such
36 owner, as permitted by this section.

1 ~~(A)~~(A) If such homestead has been so destroyed or substantially
2 destroyed after January 1 of a particular year but prior to August 15 of
3 such year, the owner of such homestead may make application to such
4 board of county commissioners for the abatement of property taxes levied
5 upon such homestead, or if such property taxes have been paid or partially
6 paid, may make application for the granting of a credit against property
7 taxes payable by such owner during any or all of the next succeeding three
8 taxable years.

9 ~~(B)~~(B) If such homestead has been so destroyed or substantially
10 destroyed on or after August 15 of a particular year but prior to January 1
11 of the next succeeding year, the owner of such homestead may make
12 application to such board of county commissioners for the granting of a
13 credit against property taxes payable by such owner during any or all of
14 the next succeeding three taxable years.

15 (b) (1) *As used in this subsection:*

16 (A) "Agricultural improvement" means a farm building or structure,
17 including, but not limited to, a barn, shed, grain bin or outbuilding,
18 utilized for the production of livestock or crops and listed and classified as
19 an agricultural improvement for property taxation purposes.

20 (B) "Destroyed or substantially destroyed" means damage sustained
21 by an agricultural improvement **or commercial real property** as the
22 direct result of an earthquake, flood, tornado, fire, storm or other natural
23 disaster event or occurrence that the governor of the state of Kansas has
24 declared a disaster, whereby the cost of restoring the building or structure
25 to its before-damaged condition would equal or exceed 50% of the market
26 value of the building or structure before the damage occurred. For
27 purposes of this subsection, such earthquake, flood, tornado, fire, storm or
28 other natural disaster event or occurrence must be declared a disaster by
29 the governor of the state of Kansas.

30 (2) The owner of any agricultural improvement **or commercial real**
31 **property** that was destroyed or substantially destroyed may make
32 application to the board of county commissioners of the county in which
33 such property is located for the abatement of property taxes levied upon
34 such agricultural improvement **or commercial real property** or for a
35 credit against property taxes payable by such owner, as permitted by this
36 section.

37 (A) If such agricultural improvement **or commercial real property**
38 has been so destroyed or substantially destroyed after January 1 of a
39 particular year but prior to August 15 of such year, the owner of such
40 agricultural improvement **or commercial real property** may make
41 application to such board of county commissioners for the abatement of
42 property taxes levied upon such agricultural improvement **or commercial**
43 **real property**, or if such property taxes have been paid or partially paid,

1 *may make application for the granting of a credit against property taxes*
2 *payable by such owner during any or all of the next succeeding three*
3 *taxable years.*

4 *(B) If such agricultural improvement or commercial real property*
5 *has been so destroyed or substantially destroyed on or after August 15 of a*
6 *particular year but prior to January 1 of the next succeeding year, the*
7 *owner of such agricultural improvement or commercial real property*
8 *may make application to such board of county commissioners for the*
9 *granting of a credit against property taxes payable by such owner during*
10 *any or all of the next succeeding three taxable years.*

11 **(c) (1) As used in this subsection:**

12 **(A) "Destroyed or substantially destroyed" means damage**
13 **sustained by a public grain warehouse as the direct result of an**
14 **earthquake, flood, tornado, fire, storm or other natural disaster event**
15 **or occurrence that the governor of the state of Kansas has declared a**
16 **disaster, whereby the cost of restoring the building or structure to its**
17 **before-damaged condition would equal or exceed 50% of the market**
18 **value of the building or structure before the damage occurred. For**
19 **purposes of this subsection, such earthquake, flood, tornado, fire,**
20 **storm or other natural disaster event or occurrence must be declared a**
21 **disaster by the governor of the state of Kansas.**

22 **(B) "Public grain warehouse" means any grain bin, head house,**
23 **storage facility or other structure located at a public grain warehouse**
24 **location licensed pursuant to K.S.A. 34-228, and amendments thereto,**
25 **or the United States warehouse act, 7 U.S.C. § 241 et seq. and utilized**
26 **for the storage or handling of grain that is classified as real property**
27 **for ad valorem tax purposes.**

28 **(2) The owner of any public grain warehouse that was destroyed**
29 **or substantially destroyed may make application to the board of**
30 **county commissioners of the county in which such property is located**
31 **for the abatement of property taxes levied upon such public grain**
32 **warehouse or for a credit against property taxes payable by such**
33 **owner, as permitted by this section.**

34 **(A) If such public grain warehouse has been so destroyed or**
35 **substantially destroyed after January 1 of a particular year but prior**
36 **to August 15 of such year, the owner of such public grain warehouse**
37 **may make application to such board of county commissioners for the**
38 **abatement of property taxes levied upon such public grain warehouse,**
39 **or if such property taxes have been paid or partially paid, may make**
40 **application for the granting of a credit against property taxes payable**
41 **by such owner during any or all of the next succeeding three taxable**
42 **years.**

43 **(B) If such public grain warehouse has been so destroyed or**

1 **substantially destroyed on or after August 15 of a particular year but**
2 **prior to January 1 of the next succeeding year, the owner of such**
3 **public grain warehouse may make application to such board of county**
4 **commissioners for the granting of a credit against property taxes**
5 **payable by such owner during any or all of the next succeeding three**
6 **taxable years.**

7 (d) An application for relief as permitted by ~~subsection~~ *subsections*
8 *(a)-and, (b) and (c)* may be made for abatement of property taxes assessed
9 but not yet paid, or for a grant of a credit for assessed property taxes paid
10 or for both, as the case may be, and may be made on or before December
11 20 of the year next succeeding the year for which such taxes have been
12 assessed.

13 ~~(d)~~(e) Upon receipt of any such application, subject to budgetary
14 restraints of the county or taxing subdivision arising from the event or
15 occurrence declared a disaster by the governor, the board of county
16 commissioners shall inquire into and make findings regarding, among
17 other things, whether the property is a homestead, as defined in subsection
18 (a), whether the homestead was destroyed or substantially destroyed, as
19 defined in subsection (a), *whether the property is a commercial real*
20 **property or an agricultural improvement, as defined in subsection (b),**
21 *whether the* **commercial real property or agricultural improvement was**
22 **destroyed or substantially destroyed, as defined in subsection (b), whether**
23 **the property is a public grain warehouse, as defined in subsection (c),**
24 **whether the public grain warehouse was destroyed or substantially**
25 **destroyed, as defined in subsection (c) and the assessed valuation**
26 **thereof. If it is determined that an owner of such homestead—~~or,~~**
27 **commercial real property, agricultural improvement or public grain**
28 **warehouse is entitled to an abatement of all or any portion of the property**
29 **taxes levied against such homestead—~~or, commercial real property,~~**
30 **agricultural improvement or public grain warehouse or is entitled to a**
31 **credit against property taxes payable by such owner in any or all of the**
32 **next succeeding three years, the board may issue an order so providing.**
33 **The board of county commissioners, at the option of the board, may**
34 **provide the abatement of property taxes for any property or class of**
35 **properties seeking such abatement.**

36 (f) For any city, taxing unit located within a city, school district or
37 community junior college district that has 25% or more of the total
38 parcels of property damaged, such entity may object by passage of a
39 resolution and retain its portion of the abated taxes. An entity may
40 object by resolution within 14 days after notification by the county
41 commission that the county has decided to abate such taxes. The
42 entity's portion of property taxes shall be abated if the entity fails to
43 object within 14 days.

- 1 ~~(e)~~**(g)** The county clerk and county treasurer shall in each case of
- 2 abatement or credit correct their records in accordance therewith and the
- 3 county clerk shall notify the governing body of any taxing district affected
- 4 thereby.
- 5 ~~(f)~~**(h)** The provisions of this section shall be applicable to all taxable
- 6 years commencing after December 31, ~~2014~~ 2018, and all taxable years
- 7 thereafter.
- 8 Sec. 2. K.S.A. 79-1613 is hereby repealed.
- 9 Sec. 3. This act shall take effect and be in force from and after its
- 10 publication in the Kansas register.