

CORRECTED

*{As Amended by Senate Committee of the Whole}*

*As Amended by Senate Committee*

*Session of 2020*

**SENATE BILL No. 294**

By Senators Tyson, Alley, Braun, Estes, Goddard, Hilderbrand, Kerschen,  
Longbine, Lynn, Masterson, Olson, Petersen, Thompson, Wagle and Wilborn

1-22

Proposed Amendments  
2020 Senate Bill No. 294

Effective Date

1 AN ACT concerning property taxation; relating to tax rates; truth in  
2 taxation; establishing notice and public hearing requirements prior to  
3 approval to exceed ~~certified tax~~ **revenue neutral rate; discontinuing**  
4 **the city and county tax lid; amending K.S.A. 79-2925c and repealing**  
5 **the existing section.**  
6

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

8 *New Section 1.* ~~(a) On or before July 1 each year, the governing body~~  
9 ~~of each taxing subdivision or taxing district shall calculate its certified tax~~  
10 ~~rate. The certified tax rate is the tax rate for the current year that would~~  
11 ~~generate the same property tax revenue as levied the previous year using~~  
12 ~~the current year's total assessed valuation. The purpose of the certified tax~~  
13 ~~rate is to promote truth in taxation. To calculate the certified tax rate, each~~  
14 ~~governing body shall divide the property tax revenue for such taxing~~  
15 ~~subdivision or taxing district levied for the previous year by the total of all~~  
16 ~~taxable assessed valuations in such taxing subdivision or taxing district~~  
17 ~~provided by the county clerk pursuant to K.S.A. 79-5a27, and amendments~~  
18 ~~thereto, for the current year, and then multiply the quotient by 1,000 to~~  
19 ~~express the rate in mills. The certified tax rate shall be expressed to the~~  
20 ~~third decimal place.~~

21 ~~(b) On or before July 1 each year, the governing body of each taxing~~  
22 ~~subdivision or taxing district shall submit its calculated certified tax rate~~  
23 ~~and supporting documentation to the director of accounts and reports on~~  
24 ~~forms approved by the director of accounts and reports. The director of~~  
25 ~~accounts and reports shall review the calculated certified tax rate and~~  
26 ~~supporting documentation for compliance and accuracy and notify the~~  
27 ~~governing body of the results of such review before August 1 of each year.~~  
28 ~~The director of accounts and reports shall make copies of submissions and~~  
29 ~~notifications pursuant to subsections (b) and (c) available to the public on~~  
30 ~~the website of the Kansas department of administration no later than~~  
31 ~~September 1 each year.~~

1 the taxing subdivision or taxing district shall certify, on or before ~~October~~  
2 **September 20**, to the proper county clerk the amount of ad valorem tax  
3 to be levied.

4 ~~(h)~~(f) The provisions of this section shall not apply to any taxing  
5 subdivision or taxing district that receives ~~\$5,000~~ **\$20,000** ~~{ \$5,000 }~~ or less  
6 in revenue from property taxes in the current year.

7 (g) *As used in this section:*

8 (1) *"Taxing subdivision" means any political subdivision of the*  
9 *state that levies an ad valorem tax on property.*

10 (2) *"Revenue neutral rate" means the tax rate for the current tax*  
11 *year that would generate the same property tax revenue as levied the*  
12 *previous tax year using the current tax year's total assessed valuation.*  
13 *To calculate the revenue neutral rate, the county clerk shall divide the*  
14 *property tax revenue for such taxing subdivision levied for the previous*  
15 *tax year by the total of all taxable assessed valuation in such taxing*  
16 *subdivision for the current tax year, and then multiply the quotient by*  
17 *1,000 to express the rate in mills. The revenue neutral rate shall be*  
18 *expressed to the third decimal place.*

19 (h) *The provisions of this section shall take effect and be in force*  
20 *from and after January 1, 2021.*

21 *Sec. 2. K.S.A. 79-2925c is hereby amended to read as follows: 79-*  
22 *2925c. (a) (1) On and after January 1, 2017, and prior to January 1,*  
23 *2021, the governing body of any city or county shall not approve any*  
24 *appropriation or budget which provides for funding by property tax*  
25 *revenues in an amount exceeding that of the next preceding year as*  
26 *adjusted to reflect the average changes in the consumer price index for*  
27 *all urban consumers as published by the United States department of*  
28 *labor for the preceding five calendar years, which shall not be less than*  
29 *zero, unless the city or county approves the appropriation or budget with*  
30 *the adoption of a resolution and such resolution has been submitted to*  
31 *and approved by a majority of the qualified electors of the city or county*  
32 *voting at an election called and held thereon, except as otherwise*  
33 *provided.*

34 (2) *The election shall be called and held in the manner provided by*  
35 *K.S.A. 10-120, and amendments thereto, and may be:*

36 (A) *Held at the next regularly scheduled election to be held in*  
37 *August or November;*

38 (B) *may be a mail ballot election, conducted in accordance with*  
39 *K.S.A. 25-431 et seq., and amendments thereto; or*

40 (C) *may be a special election called by the city or county. Nothing*  
41 *in this subsection shall prevent any city or county from holding more*  
42 *than one election in any year. The city or county requesting the election*  
43 *shall be responsible for paying all costs associated with conducting the*

2022