

STATE OF KANSAS

SENATE CHAMBER

MADAM PRESIDENT:

I move to amend **SB 72**, as amended by Senate Committee, on page 1, by striking all in lines 6 through 36;

By striking all on pages 2 through 5;

On page 11, by striking all in lines 12 and 13; following line 13 by inserting:

"Section 1. (a) For all taxable years commencing after December 31, 2013, real property owned and operated by a health club in the state of Kansas, if determined by the board of commissioners of the county in which the real property is located to have a public purpose and promote the general welfare, may be exempted from ad valorem taxation by such county board as permitted by this section. In determining whether the real property has a public purpose and promotes the general welfare, the county board shall consider, among other things, any benefit in maintaining abundant and diverse health club services in the community, any benefit in facilitation of additional health club services in the community, and any economic development benefits to the community of extending property tax relief to health clubs as permitted by this section. In making its findings, the county board shall consider the effect of any existing tax exemptions for entities offering health club-type services in the county on the applicant health club.

(b) For purposes of this section, "health club" means a corporation, partnership, unincorporated association or other business enterprise the primary purpose of which is to offer facilities that contain cardio, weight training or strength and conditioning equipment, or both, for the preservation, maintenance, encouragement or development of physical fitness in return for the payment of a fee which entitles the buyer to the use of such facilities. A health club may have on such club's

premises health spas, studios, tennis, racquet or basketball facilities or swimming pools that offer programs that enhance the primary purpose of the health club as specified in this subsection, but may not be facilities that are primarily weight control facilities, health spas, dance studios, martial arts or self-defense studios, tennis, racquet or basketball facilities, swimming pools, golf clubs or similar activities which do not have the primary purpose as specified in this subsection.

(c) For purposes of this section, real property shall be considered "owned and operated by a health club" if the owner of the real property to be exempted from taxation and the business enterprise that operates the health club and collects the payment of the fee entitling the buyer to use the facility are the same business entity, a parent or subsidiary of the same business entity or have any direct or indirect common ownership.";

And by renumbering sections accordingly;

On page 1, in the title, in line 2, by striking all after "health clubs"; in line 3, by striking all before the period

Senator _____