AN ACT concerning property taxation; relating to tax payments;
establishing the assessed valuation increase deferral program; providing
a payment plan for certain increases in property taxes.

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

Section 1. (a) The provisions of this section shall be known and may
be cited as the assessed valuation increase deferral program. The purpose
of this program is to provide a payment plan for a portion of increased ad
capital property taxes when taxpayers experience certain extraordinary
increases in valuation and taxation on property. The assessed valuation
increase deferral program shall be applicable to all tax years commencing

(b) In order to be eligible for the assessed valuation increase deferral
program payment plan, the property shall meet all of the following
requirements:

(1) The property shall have had no material or meaningful changes to
its property characteristics, no new construction or improvements and no
changes in use during the calendar year immediately preceding January 1
of the tax year at issue;

(2) the assessed valuation of the property for the tax year at issue
increased by more than 40% in excess of its assessed valuation for the
previous year;

(3) the appraised valuation of the property as reflected on the
valuation notice for the tax year at issue does not exceed $10,000,000; and

(4) the total ad valorem property tax for the tax year at issue for the
property exceeds its total ad valorem property tax for the previous year by
more than 40%.

(c) In addition to the requirements of subsection (b), for a taxpayer to
be eligible for the payment plan for the tax year at issue, the taxpayer shall
pay to the county treasurer at least an amount equal to 140% of the
previous year's property tax on or before December 20 of the tax year at
issue, or ½ thereof on or before December 20 and the remaining ½ on or
before May 10 next ensuing, to be applied toward the property tax due for
the tax year at issue.

(d) If all the requirements of subsections (b) and (c) are satisfied, then
the remainder of the property tax due for the tax year at issue shall be
deferred and allowed to be paid over the course of the next four years. At least \( \frac{1}{4} \) of the remaining property tax due as of May 11 next ensuing shall be paid to the county treasurer on or before each December 20 of the four years immediately following the tax year at issue. Notwithstanding the provisions of K.S.A. 79-2004 and 79-2004a, and amendments thereto, no interest shall accrue on such deferred taxes so long as payments are timely and properly made to the county treasurer pursuant to the provisions of this section. Notwithstanding any provisions to the contrary, taxes properly deferred under the program shall not be considered delinquent.

(e) An eligible taxpayer shall file an application with the county treasurer on or before December 10 of the tax year at issue in order to participate in the program. The county treasurer shall determine eligibility and calculate the payments due.

(f) If the taxpayer sells or transfers the property before all the deferred tax is paid or the taxpayer fails to timely make any \( \frac{1}{4} \) payment on or before December 20, then the payment plan ceases, the deferred tax shall be due immediately and interest shall accrue at the rate as prescribed in K.S.A. 79-2004 or 79-2004a, and amendments thereto, until the tax is paid.

(g) (1) With respect to property that may be eligible for the assessed valuation increase deferral program, the notice of valuation mailed pursuant to K.S.A. 79-1460, and amendments thereto, shall include a notice explaining that the taxpayer may be eligible for the assessed valuation increase deferral program and how to contact the county treasurer for information about the program.

(2) With respect to property that may be eligible for the assessed valuation increase deferral program, the county treasurer shall include with the property tax statement a notice explaining that the taxpayer may be eligible for the assessed valuation increase deferral program, how to contact the county treasurer for information about the program and the deadline for applications.

(3) The county treasurer is authorized to adjust accordingly any unpaid tax amounts remaining in the payment plan when an assessed valuation of a property is changed by a final determination of the valuation appeals process or the payment under protest process.

(h) The county treasurer or the governing body of any taxing subdivision within a county may request the pooled money investment board to make a loan to such county or taxing subdivision as provided in this subsection. The pooled money investment board is authorized and directed to loan to such county or taxing subdivision sufficient funds to enable the county or taxing subdivision to account for the deferral of tax payments pursuant to this program. The pooled money investment board is authorized and directed to use any moneys in the operating accounts,
investment accounts or other investments of the state of Kansas to provide
the funds for such loan. Upon certification to the pooled money investment
board by the county treasurer or governing body of the amount of each
loan authorized pursuant to this subsection, the pooled money investment
board shall transfer each such amount certified by the county treasurer or
governing body from the state bank account or accounts prescribed in this
subsection to the county treasurer or the governing body, who shall deposit
such amount in the treasury of such county or taxing subdivision. Any
such loan authorized pursuant to this subsection shall be repaid within four
years.

Sec. 2. This act shall take effect and be in force from and after its
publication in the statute book.