

## Senate Substitute for HOUSE BILL No. 2490

By Committee on Assessment and Taxation

5-21

---

1 AN ACT concerning property taxation; relating to the state board of tax  
2 appeals, orders and notices, service by electronic means, time to request  
3 full and complete opinion, board member service after term expires;  
4 relating to appeals, prohibiting valuation increases in certain appeals,  
5 burden of proof in district court; relating to county appraisers,  
6 eligibility list, notification when person no longer holds office;  
7 appraisal standards; buildings and improvements destroyed or  
8 substantially destroyed by natural disaster; amending K.S.A. 74-2426,  
9 74-2433, 74-2433f, 79-505, 79-1448, 79-1609, 79-1613 and 79-2005  
10 and K.S.A. 2019 Supp. 19-432 and repealing the existing sections.  
11

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

13 Section 1. K.S.A. 2019 Supp. 19-432 is hereby amended to read as  
14 follows: 19-432. (a) The director of property valuation shall maintain a  
15 current list of persons eligible to be appointed to the office of appraiser.  
16 Periodic issuance of this list shall constitute the official list of eligible  
17 Kansas appraisers who are candidates for appointment. Inclusion on this  
18 list shall be made dependent upon successful completion of a written  
19 examination as adopted and administered by the director.

20 (b) The director of property valuation shall be required to conduct  
21 training courses annually for the purpose of training appraisal candidates.  
22 These courses shall be designed to prepare students to successfully  
23 complete the written examinations required for eligible Kansas appraiser  
24 status.

25 (c) Once certified, an eligible Kansas appraiser may retain that status  
26 only through successful completion of additional appraisal courses at  
27 intervals as determined by the director of property valuation. The director  
28 shall be required to conduct training courses annually for the purpose of  
29 providing the additional curriculum required for retention of Kansas  
30 appraiser status. The director may accept recognized appraisal courses as  
31 an alternative to courses conducted by the director's office to fulfill this  
32 requirement for the maintenance of eligible Kansas appraiser status.

33 (1) *After notice and an opportunity to be heard in accordance with*  
34 *the provisions of the Kansas administrative procedure act*, the director of  
35 property valuation may remove any person from the list of persons eligible  
36 to be appointed to the office of appraiser for any of the following acts or

1 omissions:

2 (A) Failing to meet the minimum qualifications established by this  
3 section;

4 (B) a plea of guilty or nolo contendere to, or conviction of: (i) Any  
5 crime involving moral turpitude; or (ii) any felony charge; or

6 (C) entry of a final civil judgment against the person on grounds of  
7 fraud, misrepresentation or deceit in the making of any appraisal of real or  
8 personal property.

9 (2) Any person removed from the list of persons eligible to be  
10 appointed to the office of county appraiser under the provisions of this  
11 section shall immediately forfeit the office of county or district appraiser.

12 (3) An appeal may be taken to the state board of tax appeals from any  
13 final action of the director of property valuation under the provisions of  
14 this section pursuant to K.S.A. 74-2438, and amendments thereto.

15 (4) The director of property valuation may relist a person as an  
16 eligible county appraiser upon a showing of mitigating circumstances,  
17 restitution or expungement.

18 (d) *The board of county commissioners or governing body of any*  
19 *unified government of each county shall immediately notify the director of*  
20 *property valuation when a person no longer holds the office of county*  
21 *appraiser for such county. The notification shall be made on a form*  
22 *provided by the director. If the person no longer holds the office of county*  
23 *appraiser before the expiration of a four-year term or the person does not*  
24 *complete a four-year term, then the notification shall include the reason*  
25 *therefor, unless otherwise precluded by law. The director shall make a*  
26 *notation on any eligibility list record of the person when the person no*  
27 *longer holds the office of county appraiser before the expiration of a four-*  
28 *year term or the person does not complete a four-year term.*

29 Sec. 2. K.S.A. 74-2426 is hereby amended to read as follows: 74-

30 2426. (a) Orders of the state board of tax appeals on any appeal, in any  
31 proceeding under the tax protest, tax grievance or tax exemption statutes  
32 or in any other original proceeding before the board shall be rendered and  
33 served in accordance with the provisions of the Kansas administrative  
34 procedure act. Notwithstanding the provisions of K.S.A. 77-526(g), and  
35 amendments thereto, a written summary decision shall be rendered by the  
36 board and served within 14 days after the matter was fully submitted to the  
37 board unless this period is waived or extended with the written consent of  
38 all parties or for good cause shown. Any aggrieved party, within ~~14~~ 21  
39 days *after service of receiving* the board's decision, may request a full and  
40 complete opinion be issued by the board in which the board explains its  
41 decision. Except as provided in subsection (c)(4), this full opinion shall be  
42 served by the board within 90 days of being requested. If the board has not  
43 rendered a summary decision or a full and complete opinion within the

1 time periods described in this subsection, and such period has not been  
2 waived by the parties nor can the board show good cause for the delay,  
3 then the board shall refund any filing fees paid by the taxpayer. *Service of*  
4 *orders, decisions and opinions shall be made in accordance with K.S.A.*  
5 *77-531, and amendments thereto.*

6 (b) Final orders of the board shall be subject to review pursuant to  
7 subsection (c) except that the aggrieved party may first file a petition for  
8 reconsideration of a full and complete opinion with the board in  
9 accordance with the provisions of K.S.A. 77-529, and amendments  
10 thereto.

11 (c) Any action of the board pursuant to this section is subject to  
12 review in accordance with the Kansas judicial review act, except that:

13 (1) The parties to the action for judicial review shall be the same  
14 parties as appeared before the board in the administrative proceedings  
15 before the board. The board shall not be a party to any action for judicial  
16 review of an action of the board.

17 (2) There is no right to review of any order issued by the board in a  
18 no-fund warrant proceeding pursuant to K.S.A. 12-110a, 12-1662 et seq.,  
19 19-2752a, 79-2938, 79-2939 and 79-2951, and amendments thereto, and  
20 statutes of a similar character.

21 (3) In addition to the cost of the preparation of the transcript, the  
22 appellant shall pay to the state board of tax appeals the other costs of  
23 certifying the record to the reviewing court. Such payment shall be made  
24 prior to the transmission of the agency record to the reviewing court.

25 (4) Appeal of an order of the board shall be to the court of appeals as  
26 provided in subsection (c)(4)(A), unless a taxpayer who is a party to the  
27 order requests review in district court pursuant to subsection (c)(4)(B).

28 (A) Any aggrieved party may file a petition for review of the board's  
29 order in the court of appeals. For purposes of such an appeal, the board's  
30 order shall become final only after the issuance of a full and complete  
31 opinion pursuant to subsection (a).

32 (B) At the election of a taxpayer, any summary decision or full and  
33 complete opinion of the board of tax appeals issued after June 30, 2014,  
34 may be appealed by filing a petition for review in the district court. Any  
35 appeal to the district court shall be a trial de novo. Notwithstanding K.S.A.  
36 77-619, and amendments thereto, the trial de novo shall include an  
37 evidentiary hearing at which issues of law and fact shall be determined  
38 anew. *With regard to any matter properly submitted to the district court*  
39 *relating to the determination of valuation of residential property or real*  
40 *property used for commercial and industrial purposes for taxation*  
41 *purposes or the determination of classification of property for assessment*  
42 *purposes, the county appraiser shall have the duty to initiate the*  
43 *production of evidence to demonstrate, by a preponderance of the*

1 *evidence, the validity and correctness of such determination.* District court  
2 review of orders issued by the board relating to the valuation or  
3 assessment of property for ad valorem tax purposes or relating to the tax  
4 protest shall be conducted by the court of the county in which the property  
5 is located, or, if located in more than one county, the court of any county in  
6 which any portion of the property is located.

7 (C) If a taxpayer requests review of a summary decision or full and  
8 complete opinion in district court pursuant to subsection (c)(4)(B), the  
9 taxpayer shall provide notice to the board as well as the parties. Upon  
10 receipt of the notice, the board's jurisdiction shall terminate,  
11 notwithstanding any prior request for a full and complete opinion under  
12 subsection (a), and the board shall not issue such opinion.

13 (d) If review of an order of the state board of tax appeals to the court  
14 of appeals relating to excise, income or estate taxes, is sought by a person  
15 other than the director of taxation, such person shall give bond for costs at  
16 the time the petition is filed. The bond shall be in the amount of 125% of  
17 the amount of taxes assessed or a lesser amount approved by the court of  
18 appeals and shall be conditioned on the petitioner's prosecution of the  
19 review without delay and payment of all costs assessed against the  
20 petitioner.

21 *(e) Notwithstanding any provisions of K.S.A. 77-531, and*  
22 *amendments thereto, to the contrary, the state board of tax appeals shall*  
23 *serve an order or notice upon the party and the party's attorney of record,*  
24 *if any, by transmitting a copy of the order or notice to the person by*  
25 *electronic means, if such person requested and consented to service by*  
26 *electronic means. For purposes of this subsection, service by electronic*  
27 *means is complete upon transmission.*

28 Sec. 3. K.S.A. 74-2433 is hereby amended to read as follows: 74-  
29 2433. (a) There is hereby created a state board of tax appeals, referred to in  
30 this act as the board. The board shall be composed of three members who  
31 shall be appointed by the governor, subject to confirmation by the senate  
32 as provided in K.S.A. 75-4315b, and amendments thereto. For members  
33 appointed after June 30, 2014, one of such members shall have been  
34 regularly admitted to practice law in the state of Kansas and for a period of  
35 at least five years, have engaged in the active practice of law as a lawyer,  
36 judge of a court of record or any other court in this state; one of such  
37 members shall have engaged in active practice as a certified public  
38 accountant for a period of at least five years and one such member shall be  
39 a licensed certified general real property appraiser. In addition, the  
40 governor shall also appoint a chief hearing officer, subject to confirmation  
41 by the senate as provided in K.S.A. 75-4315b, and amendments thereto,  
42 who, in addition to other duties prescribed by this act, shall serve as a  
43 member pro tempore of the board. No successor shall be appointed for any

1 judge of the court of tax appeals appointed before July 1, 2014. Such  
2 persons shall continue to serve as members on the board of tax appeals  
3 until their terms expire. Except as provided by K.S.A. 46-2601, and  
4 amendments thereto, no person appointed to the board, including the chief  
5 hearing officer, shall exercise any power, duty or function as a member of  
6 the board until confirmed by the senate. Not more than two members of  
7 the board shall be of the same political party. Members of the board,  
8 including the chief hearing officer, shall be residents of the state. Subject  
9 to the provisions of K.S.A. 75-4315c, and amendments thereto, no more  
10 than one member shall be appointed from any one of the congressional  
11 districts of Kansas unless, after having exercised due diligence, the  
12 governor is unable to find a qualified replacement within 90 days after any  
13 vacancy on the board occurs. The members of the board, including the  
14 chief hearing officer, shall be selected with special reference to training  
15 and experience for duties imposed by this act and shall be individuals with  
16 legal, tax, accounting or appraisal training and experience. State board of  
17 tax appeals members shall be subject to the supreme court rules of judicial  
18 conduct applicable to all judges of the district court. The board shall be  
19 bound by the doctrine of stare decisis limited to published decisions of an  
20 appellate court. Members of the board, including the chief hearing officer,  
21 shall hold office for terms of four years. A member may continue to serve  
22 for a period of ~~90~~ 180 days after the expiration of the member's term, or  
23 until a successor has been appointed and confirmed, whichever is shorter.  
24 Except as otherwise provided, such terms of office shall expire on January  
25 15 of the last year of such term. If a vacancy occurs on the board, or in the  
26 position for chief hearing officer, the governor shall appoint a successor to  
27 fill the vacancy for the unexpired term. Nothing in this section shall be  
28 construed to prohibit the governor from reappointing any member of the  
29 board, including the chief hearing officer, for additional four-year terms.  
30 The governor shall select one of its members to serve as chairperson. The  
31 votes of two members shall be required for any final order to be issued by  
32 the board. Meetings may be called by the chairperson and shall be called  
33 on request of a majority of the members of the board and when otherwise  
34 prescribed by statute.

35 (b) Any member appointed to the state board of tax appeals and the  
36 chief hearing officer may be removed by the governor for cause, after  
37 public hearing conducted in accordance with the provisions of the Kansas  
38 administrative procedure act.

39 (c) The state board of tax appeals shall appoint, subject to approval  
40 by the governor, an executive director of the board, to serve at the pleasure  
41 of the board. The executive director shall: (1) Be in the unclassified  
42 service under the Kansas civil service act; (2) devote full time to the  
43 executive director's assigned duties; (3) receive such compensation as

1 determined by the board, subject to the limitations of appropriations  
2 thereof; and (4) have familiarity with the tax appeals process sufficient to  
3 fulfill the duties of the office of executive director. The executive director  
4 shall perform such other duties as directed by the board.

5 (d) Appeals decided by the state board of tax appeals shall be made  
6 available to the public and shall be published by the board on the board's  
7 website within 30 days after the decision has been rendered. The board  
8 shall also publish a monthly report that includes all appeals decided that  
9 month as well as all appeals which have not yet been decided and are  
10 beyond the time limitations as set forth in K.S.A. 74-2426, and  
11 amendments thereto. Such report shall be made available to the public and  
12 transmitted by the board to the members of the Kansas legislature.

13 (e) After appointment, members of the state board of tax appeals that  
14 are not otherwise a state certified general real property appraiser shall  
15 complete the following course requirements: (1) A tested appraisal course  
16 of not less than 30 clock hours of instruction consisting of the  
17 fundamentals of real property appraisal with an emphasis on the cost and  
18 sales approaches to value; (2) a tested appraisal course of not less than 30  
19 clock hours of instruction consisting of the fundamentals of real property  
20 appraisal with an emphasis on the income approach to value; (3) a tested  
21 appraisal course of not less than 30 clock hours of instruction with an  
22 emphasis on mass appraisal; (4) an appraisal course with an emphasis on  
23 Kansas property tax laws; (5) an appraisal course on the techniques and  
24 procedures for the valuation of state assessed properties with an emphasis  
25 on unit valuation; and (6) a tested appraisal course on the techniques and  
26 procedures for the valuation of land devoted to agricultural use pursuant to  
27 K.S.A. 79-1476, and amendments thereto. Any member appointed to the  
28 board who is a certified real property appraiser shall only be required to  
29 take such educational courses as are required to maintain the appraisal  
30 license. The executive director shall adopt rules and regulations  
31 prescribing a timetable for the completion of the course requirements and  
32 prescribing continued education requirements for members of the board.

33 (f) The state board of tax appeals shall have no capacity or power to  
34 sue or be sued.

35 (g) It is the intent of the legislature that proceedings in front of the  
36 board of tax appeals be conducted in a fair and impartial manner and that  
37 all taxpayers are entitled to a neutral interpretation of the tax laws of the  
38 state of Kansas. The provisions of the tax laws of this state shall be applied  
39 impartially to both taxpayers and taxing districts in cases before the board.  
40 Valuation appeals before the board shall be decided upon a determination  
41 of the fair market value of the fee simple of the property. Nothing in this  
42 section shall prohibit a property owner, during a property valuation appeal  
43 before the board, from raising arguments regarding classification. Cases

1 before the board shall not be decided upon arguments concerning the  
2 shifting of the tax burden or upon any revenue loss or gain which may be  
3 experienced by the taxing district.

4 Sec. 4. K.S.A. 74-2433f is hereby amended to read as follows: 74-  
5 2433f. (a) There shall be a division of the state board of tax appeals known  
6 as the small claims and expedited hearings division. Hearing officers  
7 appointed by the chief hearing officer shall have authority to hear and  
8 decide cases heard in the small claims and expedited hearings division.

9 (b) The small claims and expedited hearings division shall have  
10 jurisdiction over hearing and deciding applications for the refund of  
11 protested taxes under the provisions of K.S.A. 79-2005, and amendments  
12 thereto, and hearing and deciding appeals from decisions rendered  
13 pursuant to the provisions of K.S.A. 79-1448, and amendments thereto,  
14 and of article 16 of chapter 79 of the Kansas Statutes Annotated, and  
15 amendments thereto, with regard to single-family residential property. The  
16 filing of an appeal with the small claims and expedited hearings division  
17 shall be a prerequisite for filing an appeal with the state board of tax  
18 appeals for appeals involving single-family residential property.

19 (c) At the election of the taxpayer, the small claims and expedited  
20 hearings division shall have jurisdiction over: (1) Any appeal of a decision,  
21 finding, order or ruling of the director of taxation, except an appeal,  
22 finding, order or ruling relating to an assessment issued pursuant to K.S.A.  
23 79-5201 et seq., and amendments thereto, in which the amount of tax in  
24 controversy does not exceed \$15,000; (2) hearing and deciding  
25 applications for the refund of protested taxes under the provisions of  
26 K.S.A. 79-2005, and amendments thereto, where the value of the property,  
27 other than property devoted to agricultural use, is less than \$3,000,000 as  
28 reflected on the valuation notice; and (3) hearing and deciding appeals  
29 from decisions rendered pursuant to the provisions of K.S.A. 79-1448, and  
30 amendments thereto, and of article 16 of chapter 79 of the Kansas Statutes  
31 Annotated, and amendments thereto, other than those relating to land  
32 devoted to agricultural use, wherein the value of the property is less than  
33 \$3,000,000 as reflected on the valuation notice.

34 (d) In accordance with the provisions of K.S.A. 74-2438, and  
35 amendments thereto, any party may elect to appeal any application or  
36 decision referenced in subsection (b) to the state board of tax appeals.  
37 Except as provided in subsection (b) regarding single-family residential  
38 property, the filing of an appeal with the small claims and expedited  
39 hearings division shall not be a prerequisite for filing an appeal with the  
40 state board of tax appeals under this section. Final decisions of the small  
41 claims and expedited hearings division may be appealed to the state board  
42 of tax appeals. An appeal of a decision of the small claims and expedited  
43 hearings division to the state board of tax appeals shall be de novo. The

1 county bears the burden of proof in any appeal filed by the county  
2 pursuant to this section. *With regard to any matter properly submitted to*  
3 *the board relating to the determination of valuation of property for*  
4 *taxation purposes pursuant to this subsection, the board shall not increase*  
5 *the appraised valuation of the property to an amount greater than the final*  
6 *determination of appraised value by the county appraiser from which the*  
7 *taxpayer appealed to the small claims and expedited hearings division.*

8 (e) A taxpayer shall commence a proceeding in the small claims and  
9 expedited hearings division by filing a notice of appeal in the form  
10 prescribed by the rules of the state board of tax appeals which shall state  
11 the nature of the taxpayer's claim. The notice of appeal may be signed by  
12 the taxpayer, any person with an executed declaration of representative  
13 form from the property valuation division of the department of revenue or  
14 any person authorized to represent the taxpayer in subsection (f). Notice of  
15 appeal shall be provided to the appropriate unit of government named in  
16 the notice of appeal by the taxpayer. In any valuation appeal or tax protest  
17 commenced pursuant to articles 14 and 20 of chapter 79 of the Kansas  
18 Statutes Annotated, and amendments thereto, the hearing shall be  
19 conducted in the county where the property is located or a county adjacent  
20 thereto. In any appeal from a final determination by the secretary of  
21 revenue, the hearing shall be conducted in the county in which the  
22 taxpayer resides or a county adjacent thereto.

23 (f) The hearing in the small claims and expedited hearings division  
24 shall be informal. The hearing officer may hear any testimony and receive  
25 any evidence the hearing officer deems necessary or desirable for a just  
26 determination of the case. A hearing officer shall have the authority to  
27 administer oaths in all matters before the hearing officer. All testimony  
28 shall be given under oath. A party may appear personally or may be  
29 represented by an attorney, a certified public accountant, a certified general  
30 appraiser, a tax representative or agent, a member of the taxpayer's  
31 immediate family or an authorized employee of the taxpayer. A county or  
32 unified government may be represented by the county appraiser, designee  
33 of the county appraiser, county attorney or counselor or other  
34 representatives so designated. No transcript of the proceedings shall be  
35 kept.

36 (g) The hearing in the small claims and expedited hearings division  
37 shall be conducted within 60 days after the appeal is filed in the small  
38 claims and expedited hearings division unless such time period is waived  
39 by the taxpayer. A decision shall be rendered by the hearing officer within  
40 30 days after the hearing is concluded and, in cases arising from appeals  
41 described by subsections (b) and (c)(2) and (3), shall be accompanied by a  
42 written explanation of the reasoning upon which such decision is based.  
43 Documents provided by a taxpayer or county or district appraiser shall be



1 returned to the taxpayer or the county or district appraiser by the hearing  
2 officer and shall not become a part of the board's permanent records.  
3 Documents provided to the hearing officer shall be confidential and may  
4 not be disclosed, except as otherwise specifically provided.

5 (h) With regard to any matter properly submitted to the division  
6 relating to the determination of valuation of property for taxation purposes,  
7 it shall be the duty of the county appraiser to initiate the production of  
8 evidence to demonstrate, by a preponderance of the evidence, the validity  
9 and correctness of such determination. No presumption shall exist in favor  
10 of the county appraiser with respect to the validity and correctness of such  
11 determination. With regard to leased commercial and industrial property,  
12 the burden of proof shall be on the taxpayer unless the taxpayer has  
13 furnished the county or district appraiser, within 30 calendar days  
14 following the informal meeting required by K.S.A. 79-1448, and  
15 amendments thereto, or within 30 calendar days following the informal  
16 meeting required by K.S.A. 79-2005, and amendments thereto, a complete  
17 income and expense statement for the property for the three years next  
18 preceding the year of appeal. Such income and expense statement shall be  
19 in such format that is regularly maintained by the taxpayer in the ordinary  
20 course of the taxpayer's business. If the taxpayer submits a single property  
21 appraisal with an effective date of January 1 of the year appealed, the  
22 burden of proof shall return to the county appraiser. *With regard to any  
23 matter properly submitted to the division relating to the determination of  
24 valuation of property for taxation purposes, the hearing officer shall not  
25 increase the appraised valuation of the property to an amount greater than  
26 the final determination of appraised value by the county appraiser from  
27 which the taxpayer appealed.*

28 Sec. 5. K.S.A. 79-505 is hereby amended to read as follows: 79-505.

29 (a) The director of property valuation shall adopt ~~rules and regulations or~~  
30 appraiser directives prescribing appropriate standards for the performance  
31 of appraisals in connection with ad valorem taxation in this state. Such  
32 ~~rules and regulations or~~ appraiser directives shall require, at a minimum:

33 (1) That all appraisals be performed in ~~accordance with generally~~  
34 ~~accepted appraisal standards as evidenced by the appraisal standards~~  
35 *compliance with the uniform standards of professional appraisal practice,*  
36 *commonly referred to as "USPAP,"* promulgated by the appraisal standards  
37 board of the appraisal foundation; and

38 (2) that such appraisals shall be written appraisals.

39 (b) The director of property valuation ~~or a county appraiser~~ may  
40 require compliance with additional standards if a determination is made in  
41 writing that such additional standards are required in order to properly  
42 carry out statutory responsibilities *and such additional standards do not*  
43 *conflict with the uniform standards of professional appraisal practice,*

1 commonly referred to as "USPAP," promulgated by the appraisal  
2 standards board of the appraisal foundation.

3 Sec. 6. K.S.A. 79-1448 is hereby amended to read as follows: 79-  
4 1448. Any taxpayer may complain or appeal to the county appraiser from  
5 the classification or appraisal of the taxpayer's property by giving notice to  
6 the county appraiser within 30 days subsequent to the date of mailing of  
7 the valuation notice required by K.S.A. 79-1460, and amendments thereto,  
8 for real property, and on or before May 15 for personal property. The  
9 county appraiser or the appraiser's designee shall arrange to hold an  
10 informal meeting with the aggrieved taxpayer with reference to the  
11 property in question. At such meeting it shall be the duty of the county  
12 appraiser or the county appraiser's designee to initiate production of  
13 evidence to substantiate the valuation of such property, including, a  
14 summary of the reasons that the valuation of the property has been  
15 increased over the previous year, any assumptions used by the county  
16 appraiser to determine the value of the property and a description of the  
17 individual property characteristics, property specific valuation records and  
18 conclusions. The taxpayer shall be provided with the opportunity to review  
19 the data sheets applicable to the valuation approach utilized for the subject  
20 property. The county appraiser shall take into account any evidence  
21 provided by the taxpayer which relates to the amount of deferred  
22 maintenance and depreciation for the property. In any appeal from the  
23 appraisal of leased commercial and industrial property, the county or  
24 district appraiser's appraised value shall be presumed to be valid and  
25 correct and may only be rebutted by a preponderance of the evidence,  
26 unless the property owner furnishes the county or district appraiser a  
27 complete income and expense statement for the property for the three  
28 years next preceding the year of appeal within 30 calendar days following  
29 the informal meeting. In any appeal from the reclassification of property  
30 that was classified as land devoted to agricultural use for the preceding  
31 year, the taxpayer's classification of the property as land devoted to  
32 agricultural use shall be presumed to be valid and correct if the taxpayer  
33 provides an executed lease agreement or other documentation  
34 demonstrating a commitment to use the property for agricultural use, if no  
35 other actual use is evident. The county appraiser may extend the time in  
36 which the taxpayer may informally appeal from the classification or  
37 appraisal of the taxpayer's property for just and adequate reasons. Except  
38 as provided in K.S.A. 79-1404, and amendments thereto, no informal  
39 meeting regarding real property shall be scheduled to take place after May  
40 15, nor shall a final determination be given by the appraiser after May 20.  
41 Any final determination shall be accompanied by a written explanation of  
42 the reasoning upon which such determination is based when such  
43 determination is not in favor of the taxpayer. *The county appraiser shall*

1 *not increase the appraised valuation of the property as a result of the*  
2 *informal meeting.* Any taxpayer who is aggrieved by the final  
3 determination of the county appraiser may appeal to the hearing officer or  
4 panel appointed pursuant to K.S.A. 79-1611, and amendments thereto, and  
5 such hearing officer, or panel, for just cause shown and recorded, is  
6 authorized to change the classification or valuation of specific tracts or  
7 individual items of real or personal property in the same manner provided  
8 for in K.S.A. 79-1606, and amendments thereto. In lieu of appealing to a  
9 hearing officer or panel appointed pursuant to K.S.A. 79-1611, and  
10 amendments thereto, any taxpayer aggrieved by the final determination of  
11 the county appraiser, except with regard to land devoted to agricultural  
12 use, wherein the value of the property, is less than \$3,000,000, as reflected  
13 on the valuation notice, or the property constitutes single family residential  
14 property, may appeal to the small claims and expedited hearings division  
15 of the state board of tax appeals within the time period prescribed by  
16 K.S.A. 79-1606, and amendments thereto. Any taxpayer who is aggrieved  
17 by the final determination of a hearing officer or panel may appeal to the  
18 state board of tax appeals as provided in K.S.A. 79-1609, and amendments  
19 thereto. An informal meeting with the county appraiser or the appraiser's  
20 designee shall be a condition precedent to an appeal to the county or  
21 district hearing panel.

22 Sec. 7. K.S.A. 79-1609 is hereby amended to read as follows: 79-  
23 1609. Any person aggrieved by any order of the hearing officer or panel,  
24 or by the classification and appraisal of an independent appraiser, as  
25 provided in K.S.A. 79-5b03, and amendments thereto, may appeal to the  
26 state board of tax appeals by filing a written notice of appeal, on forms  
27 approved by the state board of tax appeals and provided by the county  
28 clerk for such purpose, stating the grounds thereof and a description of any  
29 comparable property or properties and the appraisal thereof upon which  
30 they rely as evidence of inequality of the appraisal of their property, if that  
31 be a ground of the appeal, with the state board of tax appeals and by filing  
32 a copy thereof with the county clerk within 30 days after the date of the  
33 order from which the appeal is taken. The notice of appeal may be signed  
34 by the taxpayer, any person with an executed declaration of representative  
35 form from the property valuation division of the department of revenue or  
36 any person authorized to represent the taxpayer in K.S.A. 74-2433f(f), and  
37 amendments thereto. A county or district appraiser may appeal to the state  
38 board of tax appeals from any order of the hearing officer or panel. With  
39 regard to any matter properly submitted to the board relating to the  
40 determination of valuation of residential property or real property used for  
41 commercial and industrial purposes for taxation purposes, it shall be the  
42 duty of the county appraiser to initiate the production of evidence to  
43 demonstrate, by a preponderance of the evidence, the validity and

1 correctness of such determination. With regard to leased commercial and  
2 industrial property, the burden of proof shall be on the taxpayer unless,  
3 within 30 calendar days following the informal meeting required by  
4 K.S.A. 79-1448, and amendments thereto, the taxpayer furnished to the  
5 county or district appraiser a complete income and expense statement for  
6 the property for the three years next preceding the year of appeal. Such  
7 income and expense statement shall be in such format that is regularly  
8 maintained by the taxpayer in the ordinary course of the taxpayer's  
9 business. If the taxpayer submits a single property appraisal with an  
10 effective date of January 1 of the year appealed, the burden of proof shall  
11 return to the county appraiser. *With regard to any matter properly*  
12 *submitted to the board relating to the determination of valuation of*  
13 *property for taxation purposes, the board shall not increase the appraised*  
14 *valuation of the property to an amount greater than the final*  
15 *determination of appraised value by the county appraiser from which the*  
16 *taxpayer appealed.*

17 Sec. 8. K.S.A. 79-1613 is hereby amended to read as follows: 79-  
18 1613. (a) As used in this section;

19 (†) "destroyed or substantially destroyed" means damage of any  
20 origin sustained by a ~~homestead building or improvement~~ as the direct  
21 result of: ~~(A)(1) An earthquake, flood, tornado, fire or storm; or (B) (2) an~~  
22 ~~event or occurrence~~ *which that* the governor of the state of Kansas has  
23 declared a disaster, whereby the cost of restoring the structure to its before-  
24 damaged condition would equal or exceed 50% of the market value of the  
25 structure before the damage occurred.

26 ~~(2) "Homestead" means the dwelling, or any part thereof, whether~~  
27 ~~owned or rented, which is occupied as a residence by the household and so~~  
28 ~~much of the land surrounding it, as defined as a home site for ad valorem~~  
29 ~~tax purposes, and may consist of a part of a multi-dwelling or multi-~~  
30 ~~purpose building and a part of the land upon which it is built or a~~  
31 ~~manufactured home or mobile home and the land upon which it is situated.~~  
32 ~~"Owned" includes a vendee in possession under a land contract, a life~~  
33 ~~tenant, a beneficiary under a trust and one or more joint tenants or tenants~~  
34 ~~in common.~~

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

39 (b) The owner of any ~~homestead building or improvement~~ listed and  
40 assessed for property taxation purposes ~~which as real property that was~~  
41 destroyed or substantially destroyed due to an earthquake, flood, tornado,  
42 fire, storm, or other event or occurrence ~~which that~~ the governor of the  
43 state of Kansas has declared a disaster may make application to the board

1 of county commissioners of the county in which such property is located  
2 for the abatement of property taxes levied upon such ~~homestead building~~  
3 *or improvement* or for a credit against property taxes payable by such  
4 owner, as permitted by this section.

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

14 (2) If such ~~homestead building or improvement~~ has been so destroyed  
15 or substantially destroyed on or after August 15 of a particular year but  
16 prior to January 1 of the next succeeding year, the owner of such  
17 ~~homestead building or improvement~~ may make application to such board  
18 of county commissioners for the granting of a credit against property taxes  
19 payable by such owner during any or all of the next succeeding three  
20 taxable years.

21 (c) An application for relief as permitted by subsection (b) may be  
22 made for abatement of property taxes assessed but not yet paid, or for a  
23 grant of a credit for assessed property taxes paid or for both, as the case  
24 may be, and may be made on or before December 20 of the year next  
25 succeeding the year for which such taxes have been assessed.

26 (d) Upon receipt of any such application, subject to budgetary  
27 restraints of the county or taxing subdivision arising from the event or  
28 occurrence declared a disaster by the governor, the board of county  
29 commissioners shall inquire into and make findings regarding, among  
30 other things, ~~whether the property is a homestead, as defined in subsection~~  
31 ~~(a)~~, whether the ~~homestead building or improvement~~ was destroyed or  
32 substantially destroyed, as defined in subsection (a) and the assessed  
33 valuation thereof. If it is determined that an owner of such ~~homestead~~  
34 *building or improvement* is entitled to an abatement of all or any portion of  
35 the property taxes levied against such ~~homestead building or improvement~~  
36 or is entitled to a credit against property taxes payable by such owner in  
37 any or all of the next succeeding three years, the board may issue an order  
38 so providing.

39 (e) The county clerk and county treasurer shall in each case of  
40 abatement or credit correct their records in accordance therewith and the  
41 county clerk shall notify the governing body of any taxing district affected  
42 thereby.

43 (f) The provisions of this section shall be applicable to all taxable

1 years commencing after December 31, ~~2011~~ 2018, and all taxable years  
2 thereafter.

3 Sec. 9. K.S.A. 79-2005 is hereby amended to read as follows: 79-  
4 2005. (a) Any taxpayer, before protesting the payment of such taxpayer's  
5 taxes, shall be required, either at the time of paying such taxes, or, if the  
6 whole or part of the taxes are paid prior to December 20, no later than  
7 December 20, or, with respect to taxes paid in whole or in part in an  
8 amount equal to at least  $\frac{1}{2}$  of such taxes on or before December 20 by an  
9 escrow or tax service agent, no later than January 31 of the next year, to  
10 file a written statement with the county treasurer, on forms approved by  
11 the state board of tax appeals and provided by the county treasurer, clearly  
12 stating the grounds on which the whole or any part of such taxes are  
13 protested and citing any law, statute or facts on which such taxpayer relies  
14 in protesting the whole or any part of such taxes. When the grounds of  
15 such protest is an assessment of taxes made pursuant to K.S.A. 79-332a  
16 and 79-1427a, and amendments thereto, the county treasurer may not  
17 distribute the taxes paid under protest until such time as the appeal is final.  
18 When the grounds of such protest is that the valuation or assessment of the  
19 property upon which the taxes are levied is illegal or void, the county  
20 treasurer shall forward a copy of the written statement of protest to the  
21 county appraiser who shall within 15 days of the receipt thereof, schedule  
22 an informal meeting with the taxpayer or such taxpayer's agent or attorney  
23 with reference to the property in question. At the informal meeting, it shall  
24 be the duty of the county appraiser or the county appraiser's designee to  
25 initiate production of evidence to substantiate the valuation of such  
26 property, including a summary of the reasons that the valuation of the  
27 property has been increased over the preceding year, any assumptions used  
28 by the county appraiser to determine the value of the property and a  
29 description of the individual property characteristics, property specific  
30 valuation records and conclusions. The taxpayer shall be provided with the  
31 opportunity to review the data sheets applicable to the valuation approach  
32 utilized for the subject property. The county appraiser shall take into  
33 account any evidence provided by the taxpayer which relates to the  
34 amount of deferred maintenance and depreciation of the property. The  
35 county appraiser shall review the appraisal of the taxpayer's property with  
36 the taxpayer or such taxpayer's agent or attorney and may change the  
37 valuation of the taxpayer's property, if in the county appraiser's opinion a  
38 change in the valuation of the taxpayer's property is required to assure that  
39 the taxpayer's property is valued according to law, and shall, within 15  
40 business days thereof, notify the taxpayer in the event the valuation of the  
41 taxpayer's property is changed, in writing of the results of the meeting.  
42 *The county appraiser shall not increase the appraised valuation of the*  
43 *property as a result of the informal meeting.* In the event the valuation of

1 the taxpayer's property is changed and such change requires a refund of  
2 taxes and interest thereon, the county treasurer shall process the refund in  
3 the manner provided by subsection (l).

4 (b) No protest appealing the valuation or assessment of property shall  
5 be filed pertaining to any year's valuation or assessment when an appeal of  
6 such valuation or assessment was commenced pursuant to K.S.A. 79-1448,  
7 and amendments thereto, nor shall the second half payment of taxes be  
8 protested when the first half payment of taxes has been protested.  
9 Notwithstanding the foregoing, this provision shall not prevent any  
10 subsequent owner from protesting taxes levied for the year in which such  
11 property was acquired, nor shall it prevent any taxpayer from protesting  
12 taxes when the valuation or assessment of such taxpayer's property has  
13 been changed pursuant to an order of the director of property valuation.

14 (c) A protest shall not be necessary to protect the right to a refund of  
15 taxes in the event a refund is required because the final resolution of an  
16 appeal commenced pursuant to K.S.A. 79-1448, and amendments thereto,  
17 occurs after the final date prescribed for the protest of taxes.

18 (d) If the grounds of such protest shall be that the valuation or  
19 assessment of the property upon which the taxes so protested are levied is  
20 illegal or void, such statement shall further state the exact amount of  
21 valuation or assessment which the taxpayer admits to be valid and the  
22 exact portion of such taxes which is being protested.

23 (e) If the grounds of such protest shall be that any tax levy, or any  
24 part thereof, is illegal, such statement shall further state the exact portion  
25 of such tax which is being protested.

26 (f) Upon the filing of a written statement of protest, the grounds of  
27 which shall be that any tax levied, or any part thereof, is illegal, the county  
28 treasurer shall mail a copy of such written statement of protest to the state  
29 board of tax appeals and the governing body of the taxing district making  
30 the levy being protested.

31 (g) Within 30 days after notification of the results of the informal  
32 meeting with the county appraiser pursuant to subsection (a), the  
33 protesting taxpayer may, if aggrieved by the results of the informal  
34 meeting with the county appraiser, appeal such results to the state board of  
35 tax appeals.

36 (h) After examination of the copy of the written statement of protest  
37 and a copy of the written notification of the results of the informal meeting  
38 with the county appraiser in cases where the grounds of such protest is that  
39 the valuation or assessment of the property upon which the taxes are levied  
40 is illegal or void, the board shall conduct a hearing in accordance with the  
41 provisions of the Kansas administrative procedure act, unless waived by  
42 the interested parties in writing. If the grounds of such protest is that the  
43 valuation or assessment of the property is illegal or void the board shall

1 notify the county appraiser thereof.

2 (i) In the event of a hearing, the same shall be originally set not later  
3 than 90 days after the filing of the copy of the written statement of protest  
4 and a copy, when applicable, of the written notification of the results of the  
5 informal meeting with the county appraiser with the board. With regard to  
6 any matter properly submitted to the board relating to the determination of  
7 valuation of residential property or real property used for commercial and  
8 industrial purposes for taxation purposes, it shall be the duty of the county  
9 appraiser to initiate the production of evidence to demonstrate, by a  
10 preponderance of the evidence, the validity and correctness of such  
11 determination except that no such duty shall accrue to the county or  
12 district appraiser with regard to leased commercial and industrial property  
13 unless the property owner has furnished to the county or district appraiser  
14 a complete income and expense statement for the property for the three  
15 years next preceding the year of appeal. No presumption shall exist in  
16 favor of the county appraiser with respect to the validity and correctness of  
17 such determination. In all instances where the board sets a request for  
18 hearing and requires the representation of the county by its attorney or  
19 counselor at such hearing, the county shall be represented by its county  
20 attorney or counselor. The board shall take into account any evidence  
21 provided by the taxpayer which relates to the amount of deferred  
22 maintenance and depreciation for the property. In any appeal from the  
23 reclassification of property that was classified as land devoted to  
24 agricultural use for the preceding year, the taxpayer's classification of the  
25 property as land devoted to agricultural use shall be presumed to be valid  
26 and correct if the taxpayer provides an executed lease agreement or other  
27 documentation demonstrating a commitment to use the property for  
28 agricultural use, if no other actual use is evident. *With regard to any  
29 matter properly submitted to the board relating to the determination of  
30 valuation of property for taxation purposes, the board shall not increase  
31 the appraised valuation of the property to an amount greater than the  
32 appraised value reflected in the notification of the results of the informal  
33 meeting with the county appraiser from which the taxpayer appealed.*

34 (j) When a determination is made as to the merits of the tax protest,  
35 the board shall render and serve its order thereon. The county treasurer  
36 shall notify all affected taxing districts of the amount by which tax  
37 revenues will be reduced as a result of a refund.

38 (k) If a protesting taxpayer fails to file a copy of the written statement  
39 of protest and a copy, when applicable, of the written notification of the  
40 results of the informal meeting with the county appraiser with the board  
41 within the time limit prescribed, such protest shall become null and void  
42 and of no effect whatsoever.

43 (l) (1) In the event the board orders that a refund be made pursuant to



1 this section or the provisions of K.S.A. 79-1609, and amendments thereto,  
2 or a court of competent jurisdiction orders that a refund be made, and no  
3 appeal is taken from such order, or in the event a change in valuation  
4 which results in a refund pursuant to subsection (a), the county treasurer  
5 shall, as soon thereafter as reasonably practicable, refund to the taxpayer  
6 such protested taxes and, with respect to protests or appeals commenced  
7 after the effective date of this act, interest computed at the rate prescribed  
8 by K.S.A. 79-2968, and amendments thereto, minus two percentage points,  
9 per annum from the date of payment of such taxes from tax moneys  
10 collected but not distributed. Upon making such refund, the county  
11 treasurer shall charge the fund or funds having received such protested  
12 taxes, except that, with respect to that portion of any such refund  
13 attributable to interest the county treasurer shall charge the county general  
14 fund. In the event that the state board of tax appeals or a court of  
15 competent jurisdiction finds that any time delay in making its decision is  
16 unreasonable and is attributable to the taxpayer, it may order that no  
17 interest or only a portion thereof be added to such refund of taxes.

18 (2) No interest shall be allowed pursuant to paragraph (1) in any case  
19 where the tax paid under protest was inclusive of delinquent taxes.

20 (m) Whenever, by reason of the refund of taxes previously received  
21 or the reduction of taxes levied but not received as a result of decreases in  
22 assessed valuation, it will be impossible to pay for imperative functions for  
23 the current budget year, the governing body of the taxing district affected  
24 may issue no-fund warrants in the amount necessary. Such warrants shall  
25 conform to the requirements prescribed by K.S.A. 79-2940, and  
26 amendments thereto, except they shall not bear the notation required by  
27 such section and may be issued without the approval of the state board of  
28 tax appeals. The governing body of such taxing district shall make a tax  
29 levy at the time fixed for the certification of tax levies to the county clerk  
30 next following the issuance of such warrants sufficient to pay such  
31 warrants and the interest thereon. All such tax levies shall be in addition to  
32 all other levies authorized by law.

33 (n) Whenever a taxpayer appeals to the board of tax appeals pursuant  
34 to the provisions of K.S.A. 79-1609, and amendments thereto, or pays  
35 taxes under protest related to one property whereby the assessed valuation  
36 of such property exceeds 5% of the total county assessed valuation of all  
37 property located within such county and the taxpayer receives a refund of  
38 such taxes paid under protest or a refund made pursuant to the provisions  
39 of K.S.A. 79-1609, and amendments thereto, the county treasurer or the  
40 governing body of any taxing subdivision within a county may request the  
41 pooled money investment board to make a loan to such county or taxing  
42 subdivision as provided in this section. The pooled money investment  
43 board is authorized and directed to loan to such county or taxing

1 subdivision sufficient funds to enable the county or taxing subdivision to  
2 refund such taxes to the taxpayer. The pooled money investment board is  
3 authorized and directed to use any moneys in the operating accounts,  
4 investment accounts or other investments of the state of Kansas to provide  
5 the funds for such loan. Each loan shall bear interest at a rate equal to the  
6 net earnings rate of the pooled money investment portfolio at the time of  
7 the making of such loan. The total aggregate amount of loans under this  
8 program shall not exceed \$50,000,000 of unencumbered funds pursuant to  
9 article 42 of chapter 75 of the Kansas Statutes Annotated, and amendments  
10 thereto. Such loan shall not be deemed to be an indebtedness or debt of the  
11 state of Kansas within the meaning of section 6 of article 11 of the  
12 constitution of the state of Kansas. Upon certification to the pooled money  
13 investment board by the county treasurer or governing body of the amount  
14 of each loan authorized pursuant to this subsection, the pooled money  
15 investment board shall transfer each such amount certified by the county  
16 treasurer or governing body from the state bank account or accounts  
17 prescribed in this subsection to the county treasurer who shall deposit such  
18 amount in the county treasury. Any such loan authorized pursuant to this  
19 subsection shall be repaid within four years. The county or taxing  
20 subdivision shall make not more than four equal annual tax levies at the  
21 time fixed for the certification of tax levies to the county clerk following  
22 the making of such loan sufficient to pay such loan within the time period  
23 required under such loan. All such tax levies shall be in addition to all  
24 other levies authorized by law.

25 (o) The county treasurer shall disburse to the proper funds all portions  
26 of taxes paid under protest and shall maintain a record of all portions of  
27 such taxes which are so protested and shall notify the governing body of  
28 the taxing district levying such taxes thereof and the director of accounts  
29 and reports if any tax protested was levied by the state.

30 (p) This statute shall not apply to the valuation and assessment of  
31 property assessed by the director of property valuation and it shall not be  
32 necessary for any owner of state assessed property, who has an appeal  
33 pending before the state board of tax appeals, to protest the payment of  
34 taxes under this statute solely for the purpose of protecting the right to a  
35 refund of taxes paid under protest should that owner be successful in that  
36 appeal.

37 Sec. 10. K.S.A. 74-2426, 74-2433, 74-2433f, 79-505, 79-1448, 79-  
38 1609, 79-1613 and 79-2005 and K.S.A. 2019 Supp. 19-432 are hereby  
39 repealed.

40 Sec. 11. This act shall take effect and be in force from and after its  
41 publication in the Kansas register.