

HOUSE BILL No. 2607

By Committee on Taxation

2-10

1 AN ACT concerning property taxation; relating to primary residential
2 property; providing for a property tax installment payment plan;
3 amending K.S.A. 79-2004 and repealing the existing section.
4

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

6 New Section 1. (a) On and after January 1, 2021, a county may allow
7 a taxpayer to enter into a property tax installment payment plan in
8 accordance with the provisions of this section. Such installment payment
9 plan shall be applicable to real property taxes and any special assessments
10 levied against the primary residential property of the taxpayer. To enter
11 into an installment payment plan for the current tax year, the taxpayer shall
12 file an application on or before May 1 with the county treasurer of the
13 county in which the subject property is located. For a taxpayer to be
14 eligible for the installment payment plan, the taxpayer shall have no
15 unpaid prior year property taxes against the primary residential property
16 that the installment payment plan covers.

17 (b) The county treasurer shall calculate the payments due on an
18 installment payment plan under subsection (a) by substituting the prior
19 year's property taxes due on the subject property, including any special
20 assessments, and dividing such amount of property taxes due by 12. The
21 county treasurer is not required to take any further action to remind
22 taxpayers of payment obligations under the installment payment plan nor
23 is the treasurer required to take any additional action not otherwise
24 required by law to collect any outstanding payments. The county treasurer
25 may at the treasurer's option also include a fee as part of the installment
26 payment plan in an amount not to exceed \$2.50 for each monthly payment
27 or an amount not to exceed \$5 for each quarterly payment. These fees shall
28 be retained by the county treasurer for administering the installment
29 payment plan.

30 (c) Payments due under an installment payment plan shall be due to
31 the county treasurer on either:

- 32 (1) The first day of each month; or
33 (2) the first day of the months of July, October, January and April if
34 the taxpayer elects to make quarterly payments. The payments due under
35 the installment plan shall begin on the June 1 after the taxpayer has been
36 approved for participation in the plan. Regardless of the payments

1 calculated pursuant to subsection (b), all taxes on the property shall be
2 paid by the taxpayer on or before the next ensuing May 10. The
3 installment payment plan may be renewed for a succeeding year or years
4 without the taxpayer having to submit a new application pursuant to
5 subsection (a) as long as agreed to by the taxpayer and the county treasurer
6 and the taxpayer is current on all payment obligations pursuant to the
7 installment payment plan.

8 (d) Whenever any date prescribed in subsection (c) for the installment
9 payment plan payment occurs on a Saturday or Sunday, such date for
10 payment shall be extended until the next- following regular business day
11 of the office of the county treasurer.

12 (e) Payments received by a county treasurer prior to the fiscal year for
13 which such tax has been levied shall be placed by the county treasurer into
14 escrow until the first day of such fiscal year.

15 (f) The board of county commissioners of any county may elect, by
16 the adoption of a resolution, to participate in the installment payment plan
17 pursuant to the provisions of this section. The board may elect to offer as
18 payment options under the installment payment plan: Monthly payments
19 only, quarterly payments only, or both.

20 Sec. 2. K.S.A. 79-2004 is hereby amended to read as follows: 79-
21 2004. (a) Except as provided by K.S.A. 79-4521, and amendments thereto,
22 *and section 1, and amendments thereto*, any person charged with real
23 property taxes on the tax books in the hands of the county treasurer may
24 pay, at such person's option, the full amount thereof on or before
25 December 20 of each year, or $\frac{1}{2}$ thereof on or before December 20 and the
26 remaining $\frac{1}{2}$ on or before May 10 next ensuing. If the full amount of the
27 real property taxes listed upon any tax statement is \$10 or less the entire
28 amount of such tax shall be due and payable on or before December 20.

29 In case the first half of the real property taxes remains unpaid after
30 December 20, the first half of the tax shall draw interest at the rate
31 prescribed by K.S.A. 79-2968, and amendments thereto, plus five
32 percentage points per annum and may be paid at any time prior to May 10
33 following by paying $\frac{1}{2}$ of the tax together with interest at such rate from
34 December 20 to date of payment. Subject to the provisions of subsection
35 (d), all real property taxes of the preceding year and accrued interest
36 thereon which remain due and unpaid on May 11 shall accrue interest at
37 the rate prescribed by K.S.A. 79-2968, and amendments thereto, plus five
38 percentage points per annum from May 10 until paid, or until the real
39 property is sold for taxes by foreclosure as provided by law. Except as
40 provided by subsection (c), all interest herein provided shall be credited to
41 the county general fund, and whenever any such interest is paid the county
42 treasurer shall enter the amount of interest so paid on the tax rolls in the
43 proper column and account for such sum.

1 (b) Whenever any date prescribed in subsection (a) for the payment
2 of real property taxes occurs on a Saturday or Sunday, such date for
3 payment shall be extended until the next-following regular business day of
4 the office of the county treasurer.

5 (c) The board of county commissioners may enter into an agreement
6 with the governing body of any city located in the county for the
7 distribution of part or all of the interest paid on special assessments levied
8 by the city which remain unpaid.

9 (d) All real property taxes of any year past due and unpaid on the
10 effective date of this section and interest accrued thereon pursuant to this
11 section prior to its amendment by this act shall draw interest at the rate
12 prescribed by K.S.A. 79-2968, and amendments thereto, plus five
13 percentage points per annum from the effective date of this section until
14 paid or until the real property is sold for taxes by foreclosure as provided
15 by law.

16 Sec. 3. K.S.A. 79-2004 is hereby repealed.

17 Sec. 4. This act shall take effect and be in force from and after its
18 publication in the statute book.