

**SENATE BILL No. 4**

By Senators Tyson, Alley, Baumgardner, Berger, Braun, Goddard, Hilderbrand, Kerschen, Lynn, Olson, Petersen, Rucker, Thompson and Wagle

6-3

1 AN ACT concerning taxation; relating to income tax, enacting the Kansas  
2 taxpayer protection act regulating paid tax return preparers, extending  
3 certain return filing and tax payment deadlines; property taxation, rates,  
4 truth in taxation and establishing notice and public hearing  
5 requirements prior to approval to exceed revenue neutral rate,  
6 discontinuing the city and county tax lid, delaying the time for payment  
7 of real property and personal property taxes, providing for waiver of  
8 interest and fees for late property tax payments for a certain period of  
9 time, extending the time for listing and publication of delinquent real  
10 estate subject to sale, prohibiting valuation increase of real property  
11 solely as the result of normal repair, replacement or maintenance,  
12 establishing a payment plan for the payment of delinquent or  
13 nondelinquent taxes; amending K.S.A. 79-1110, 79-1460, 79-1801, 79-  
14 2024, 79-2302, 79-2303, 79-2925c, 79-3221 and 79-3225 and repealing  
15 the existing sections.

16

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

18 New Section 1. The provisions of sections 1 through 6, and  
19 amendments thereto, shall be known and may be cited as the Kansas  
20 taxpayer protection act.

21 New Sec. 2. As used in this act:

22 (a) (1) "Paid tax return preparer" means any person who prepares or  
23 substantially prepares for compensation, or who employs one or more  
24 persons who prepare or substantially prepare for compensation, any  
25 income tax return or claim for refund, required to be filed pursuant to  
26 K.S.A. 79-3201 et seq., and amendments thereto.

27 (2) "Paid tax return preparer" does not include the following:

28 (A) An individual licensed as a certified public accountant in this  
29 state under K.S.A. 1-302b or 1-322, and amendments thereto;

30 (B) an individual licensed as a certified public accountant in another  
31 licensing jurisdiction and practicing in this state under K.S.A. 1-302b or 1-  
32 322, and amendments thereto; or

33 (C) an individual employed by a firm licensed in this state under  
34 K.S.A. 1-308, and amendments thereto, and preparing a return under the  
35 supervision of an individual described in subparagraph (A) or (B).

1 (b) "Secretary" means secretary of the Kansas department of revenue.

2 New Sec. 3. (a) On and after January 1, 2021, any income tax return  
3 or claim for refund prepared or substantially prepared by a paid tax return  
4 preparer shall be signed by the paid tax return preparer and shall bear the  
5 paid tax return preparer's federal internal revenue service preparer tax  
6 identification number. Any paid tax return preparer who fails to sign the  
7 income tax return or claim for refund or who fails to provide the preparer's  
8 federal internal revenue service preparer tax identification number shall  
9 pay a civil penalty of \$50 for each such failure to the Kansas department  
10 of revenue, unless it can be shown that the failure was due to reasonable  
11 cause and not willful or reckless conduct. The penalty imposed on any  
12 paid tax return preparer with respect to returns or claims for refund filed  
13 during any calendar year shall not exceed \$25,000 per paid tax return  
14 preparer.

15 (b) The penalty shall be imposed pursuant to this section upon the  
16 written order of the secretary or the secretary's designee to the paid tax  
17 return preparer who committed the violation. Such order shall state the  
18 violation, the penalty to be imposed and the right of the paid tax return  
19 preparer to appeal the order. Such order shall be subject to appeal and  
20 review in the manner provided by the Kansas administrative procedure act.

21 (c) Any penalty collected pursuant to this section shall be remitted to  
22 the state treasurer in accordance with the provisions of K.S.A. 75-4215,  
23 and amendments thereto. Upon receipt of each such remittance, the state  
24 treasurer shall deposit the entire amount in the state treasury to the credit  
25 of the state general fund.

26 New Sec. 4. (a) The secretary or the secretary's designee is hereby  
27 authorized to enjoin any person from engaging in conduct described in  
28 subsection (b) or from further action as a paid tax return preparer under the  
29 provisions of the Kansas taxpayer protection act who is found to be in  
30 violation of this act. The secretary or the secretary's designee shall be  
31 entitled in any proceeding brought for such purpose to have an order  
32 restraining such person from engaging in conduct in violation of the  
33 provisions of this act. No bond shall be required for any such restraining  
34 order or for any temporary or permanent injunction issued in such  
35 proceedings. The secretary may commence suit in a court of competent  
36 jurisdiction to enjoin any paid tax return preparer from further engaging in  
37 any conduct described in subsection (b) or from further action as a paid tax  
38 return preparer in this state. The secretary may request the assistance of the  
39 attorney general or the attorney general's duly authorized designee to  
40 enforce provisions of this section.

41 (b) In an action pursuant to subsection (a), the court may enjoin the  
42 paid tax return preparer from further engaging in any conduct described in  
43 this subsection, if the court finds that injunctive relief is appropriate to

1 prevent the occurrence of such conduct. The court may issue an injunction  
2 when the paid tax return preparer has engaged in any of the following  
3 conduct:

4 (1) Prepared any income tax return or claim for refund that includes  
5 an understatement of a taxpayer's liability due to an unreasonable position.  
6 As used in this subsection, "unreasonable position" means the same as  
7 defined by section 6694(a)(2) of the federal internal revenue code;

8 (2) prepared any income tax return or claim for refund that includes  
9 an understatement of a taxpayer's liability due to the paid tax return  
10 preparer's willful or reckless conduct. As used in this subsection, "willful  
11 or reckless conduct" means the same as defined by section 6694(b)(2) of  
12 the federal internal revenue code;

13 (3) where required, failed to do any of the following:

14 (A) Furnish a copy of the income tax return or claim for refund;

15 (B) sign the income tax return or claim for refund;

16 (C) furnish an identifying number;

17 (D) retain a copy of the income tax return or claim for refund; or

18 (E) be diligent in determining eligibility for tax benefits;

19 (4) negotiated a check issued to the taxpayer by the department of  
20 revenue without the permission of the taxpayer;

21 (5) engaged in any conduct subject to any criminal penalty provided  
22 for in chapter 79 of the Kansas Statutes Annotated, and amendments  
23 thereto;

24 (6) misrepresented the paid tax return preparer's eligibility to practice  
25 before the department of revenue or otherwise misrepresented the paid tax  
26 return preparer's experience or education;

27 (7) guaranteed the payment of any income tax refund or the  
28 allowance of any income tax credit; or

29 (8) engaged in any other fraudulent or deceptive conduct that  
30 substantially interferes with the proper administration of the tax laws of  
31 the state of Kansas.

32 (c) If the court finds that a paid tax return preparer has continually or  
33 repeatedly engaged in any conduct described in subsection (b) and that an  
34 injunction prohibiting the conduct would not be sufficient to prevent the  
35 person's interference with the proper administration of the tax laws of the  
36 state of Kansas, the court may enjoin the person from acting as a paid tax  
37 return preparer in the state of Kansas. The fact that the person has been  
38 enjoined from preparing tax returns or claims for refund for the United  
39 States or any other state in the five years preceding the petition for an  
40 injunction shall establish a prima facie case for an injunction to be issued  
41 pursuant to this section. For purposes of this subsection, "state" means a  
42 state of the United States, the District of Columbia, Puerto Rico, the  
43 United States Virgin Islands or any territory or insular possession subject

1 to the jurisdiction of the United States.

2 (d) The secretary or the secretary's designee shall annually report a  
3 summary of the secretary's enjoinder actions on the department of  
4 revenue's website.

5 New Sec. 5. (a) Preparation or substantial preparation of any income  
6 tax return or claim for refund filed pursuant to K.S.A. 79-3201 et seq., and  
7 amendments thereto, by a paid tax return preparer, whether or not a  
8 resident or citizen of this state, thereby submits the preparer to the  
9 jurisdiction of the courts of this state as to any cause of action arising from  
10 the provisions of this act.

11 (b) Every action pursuant to this act shall be brought in the district  
12 court of Shawnee county.

13 (c) In lieu of initiating or continuing an action or proceeding, the  
14 secretary or the secretary's designee may accept a consent judgment with  
15 respect to any act or practice declared to be a violation of this act. A  
16 consent judgment shall provide for the discontinuance by the paid tax  
17 return preparer entering the same of any act or practice declared to be a  
18 violation of this act. Any consent judgment entered into pursuant to this  
19 section shall not be deemed to admit the violation, unless it does so by its  
20 terms. Before any consent judgment entered into pursuant to this section  
21 shall be effective, it shall be approved by the district court and an entry  
22 made in the manner required for making an entry of judgment. Once such  
23 approval is received, any breach of the conditions of such consent  
24 judgment shall be treated as a violation of a court order and shall be  
25 subject to all the penalties provided by law.

26 New Sec. 6. The secretary may adopt rules and regulations necessary  
27 to carry out the provisions of the Kansas taxpayer protection act.

28 Sec. 7. K.S.A. 79-1110 is hereby amended to read as follows: 79-  
29 1110. (a) Every national banking association, bank, trust company, and  
30 savings and loan association subject to taxation under this act shall make  
31 its return and pay the tax imposed to the director of taxation on or before  
32 the 15th day of the fourth month following the close of its federal taxable  
33 year, in the same manner, except for computing the net income subject to  
34 tax, as corporations are required to make their returns and pay their taxes  
35 under the Kansas income tax act. Every such national banking association,  
36 bank, trust company and savings and loan association shall be subject to  
37 other provisions of the Kansas income tax act applicable to other  
38 corporations and shall be subject to the penalties imposed on corporations  
39 by K.S.A. 79-3222, 79-3228 and 79-3234 insofar as the same can be made  
40 applicable.

41 (b) *With respect to tax year 2019, the deadline for filing returns shall*  
42 *be extended to July 15, 2020, for returns with original due dates of April*  
43 *15, 2020, through July 15, 2020. With respect to tax year 2019, no penalty*

1 *or interest authorized pursuant to K.S.A. 79-3228, and amendments*  
2 *thereto, shall be imposed if such tax liability is paid on or before July 15,*  
3 *2020.*

4 Sec. 8. K.S.A. 79-3221 is hereby amended to read as follows: 79-  
5 3221. (a) All returns required by this act shall be made as nearly as  
6 practical in the same form as the corresponding form of income tax return  
7 by the United States. Unless another identifying number has been assigned  
8 to an individual by the internal revenue service for purposes of filing such  
9 individual's federal income tax return, the social security number issued to  
10 an individual, the individual's spouse, and all dependents of such  
11 individual for purposes of section 205 (c)(2)(A) of the social security act  
12 shall be used as the identifying number and included on the return when  
13 filing such return.

14 (b) All returns shall be filed in the office of the director of taxation on  
15 or before the 15<sup>th</sup> day of the fourth month following the close of the  
16 taxable year, except as provided in subsection (c) ~~hereof~~. Tentative returns  
17 may be filed before the close of the taxable year and the estimated tax  
18 computed on such return, paid, but no interest will be paid on any  
19 overpayment of tax liability, computed on such tentative return.

20 (c) (1) The director of taxation may grant a reasonable extension of  
21 time for filing returns in accordance with rules and regulations of the  
22 secretary of revenue. Whenever any such extension of time to file is  
23 requested by a taxpayer and granted by the director with respect to any tax  
24 year commencing after December 31, 1992, no penalty authorized by  
25 K.S.A. 79-3228, and amendments thereto, shall be imposed if 90% of the  
26 liability is paid on or before the original due date.

27 (2) *With respect to tax year 2019, the deadline for filing returns shall*  
28 *be extended to July 15, 2020, for returns with original due dates of April*  
29 *15, 2020, through July 15, 2020. With respect to tax year 2019, no penalty*  
30 *or interest authorized pursuant to K.S.A. 79-3228, and amendments*  
31 *thereto, shall be imposed if such tax liability is paid on or before July 15,*  
32 *2020.*

33 (d) In the case of an individual serving in the armed forces of the  
34 United States, or serving in support of such armed forces, in an area  
35 designated by the president of the United States by executive order as a  
36 "combat zone" as defined under 26 U.S.C. § 112 at any time during the  
37 period designated by the president by executive order as the period of  
38 combatant activities in such zone for the purposes of such section, or  
39 hospitalized as a result of injury received or sickness incurred while  
40 serving in such an area during such time, the period of service in such  
41 area, plus the period of continuous qualified hospitalization attributable to  
42 such injury or sickness, and the next 180 days thereafter, shall be  
43 disregarded in determining, under article 32 of chapter 79 of the Kansas

1 Statutes Annotated, and amendments thereto, in respect to any tax liability,  
2 including any interest, penalty, additional amount, or addition to the tax, of  
3 such individual:

4 (1) Whether any of the following acts was performed within the time  
5 prescribed therefor: (A) Filing any return of income tax; (B) payment of  
6 any income tax or installment thereof; (C) filing a notice of appeal with the  
7 director of taxation or the state board of tax appeals for redetermination of  
8 a deficiency or for a review of a decision rendered by either the director or  
9 the state board of tax appeals; (D) allowance of a credit or refund of any  
10 income tax; (E) filing a claim for credit or refund of any income tax; (F)  
11 bringing suit upon any such claim for credit or refund; (G) assessment of  
12 any income tax; (H) giving or making any notice or demand for the  
13 payment of any income tax, or with respect to any liability to the state of  
14 Kansas in respect of any income tax; (I) collection, by the director of  
15 taxation or the director's agent, by warrant, levy or otherwise, of the  
16 amount of any liability in respect to any income tax; (J) bringing suit by  
17 the state of Kansas, or any officer on its behalf, in respect to any liability  
18 in respect of any income tax; and (K) any other act required or permitted  
19 under the Kansas income tax act specified in rules and regulations adopted  
20 by the secretary of revenue under this section;

21 (2) the amount of any credit or refund.

22 (e) (1) Subsection (d) shall not apply for purposes of determining the  
23 amount of interest on any overpayment of tax.

24 (2) If an individual is entitled to the benefits of subsection (d) with  
25 respect to any return and such return is timely filed, determined after the  
26 application of ~~subsection (d), subsections (e)(5) and (e)(7) of K.S.A. 79-~~  
27 ~~32,105(d), (e)(5) and (e)(7),~~ and amendments thereto, shall not apply.

28 (f) The provisions of subsections (d) through (j) shall apply to the  
29 spouse of any individual entitled to the benefits of subsection (d). Except  
30 in the case of the combat zone designated for purposes of the Vietnam  
31 conflict, this subsection shall not cause subsections (d) through (j) to apply  
32 for any spouse for any taxable year beginning more than two years after  
33 the date designated under 26 U.S.C. § 112, and amendments thereto, as the  
34 date of termination of combatant activities in a combat zone.

35 (g) The period of service in the area referred to in subsection (d) shall  
36 include the period during which an individual entitled to benefits under  
37 subsection (d) is in a missing status, within the meaning of 26 U.S.C. §  
38 6013(f)(3).

39 (h) (1) Notwithstanding the provisions of subsection (d), any action  
40 or proceeding authorized by K.S.A. 79-3229, and amendments thereto, as  
41 well as any other action or proceeding authorized by law in connection  
42 therewith, may be taken, begun or prosecuted. In any other case in which  
43 the secretary determines that collection of the amount of any assessment

1 would be jeopardized by delay, the provisions of subsection (d) shall not  
2 operate to stay collection of such amount by levy or otherwise as  
3 authorized by law. There shall be excluded from any amount assessed or  
4 collected pursuant to this subsection the amount of interest, penalty,  
5 additional amount, and addition to the tax, if any, in respect of the period  
6 disregarded under subsection (d). In any case to which this ~~subsection~~  
7 *subsection* relates, if the secretary is required to give any notice to or make  
8 any demand upon any person, such requirement shall be deemed to be  
9 satisfied if the notice or demand is prepared and signed, in any case in  
10 which the address of such person last known to the secretary is in an area  
11 for which United States post offices under instructions of the postmaster  
12 general are not, by reason of the combatant activities, accepting mail for  
13 delivery at the time the notice or demand is signed. In such case the notice  
14 or demand shall be deemed to have been given or made upon the date it is  
15 signed.

16 (2) The assessment or collection of any tax under the provisions of  
17 article 32 of chapter 79 of the Kansas Statutes Annotated, and amendments  
18 thereto, or any action or proceeding by or on behalf of the state in  
19 connection therewith, may be made, taken, begun or prosecuted in  
20 accordance with law, without regard to the provisions of subsection (d),  
21 unless prior to such assessment, collection, action or proceeding it is  
22 ascertained that the person concerned is entitled to the benefits of  
23 subsection (d).

24 (i) (1) Any individual who performed Desert Shield services, and the  
25 spouse of such individual, shall be entitled to the benefits of subsections  
26 (d) through (j) in the same manner as if such services were services  
27 referred to in subsection (d).

28 (2) For purposes of this subsection, the term "Desert Shield services"  
29 means any services in the armed forces of the United States or in support  
30 of such armed forces if:

31 (A) Such services are performed in the area designated by the  
32 president as the "Persian Gulf Desert Shield area"; and

33 (B) such services are performed during the period beginning on  
34 August 2, 1990, and ending on the date on which any portion of the area  
35 referred to in subsection (i)(2)(A) is designated by the president as a  
36 combat zone pursuant to 26 U.S.C. § 112.

37 (j) For purposes of subsection (d), the term "qualified hospitalization"  
38 means:

39 (1) Any hospitalization outside the United States; and

40 (2) any hospitalization inside the United States, except that not more  
41 than five years of hospitalization may be taken into account under this  
42 subsection. This subsection shall not apply for purposes of applying  
43 subsections (d) through (j) with respect to the spouse of an individual

1 entitled to the benefits of subsection (d).

2 Sec. 9. K.S.A. 79-3225 is hereby amended to read as follows: 79-  
3 3225. (a) All taxes imposed under the provisions of the "Kansas income  
4 tax act" shall be paid on the 15<sup>th</sup> day of the fourth month following the  
5 close of the taxable year, *except with respect to tax year 2019, such taxes*  
6 *shall be paid on or before July 15, 2020, if the return was due on or before*  
7 *July 15, 2020.* When the tax as shown to be due on a return is less than \$5,  
8 such tax shall be canceled and no payment need be remitted by the  
9 taxpayer.

10 (b) The director of taxation may extend the time for payment of the  
11 tax, or any installment thereof, for a reasonable period of time not to  
12 exceed six months from the date fixed for payment thereof. Such extension  
13 may exceed six months in the case of a taxpayer who is abroad. Interest  
14 shall be charged at the rate prescribed by K.S.A. 79-2968(a) and  
15 amendments thereto for the period of such extension.

16 New Sec. 10. (a) On or before June 15 each year, the county clerk  
17 shall calculate the revenue neutral rate for each taxing subdivision and  
18 include such revenue neutral rate on the notice of the estimated assessed  
19 valuation provided to each taxing subdivision for budget purposes. The  
20 director of accounts and reports shall modify the prescribed budget  
21 information form to show the revenue neutral rate.

22 (b) No tax rate in excess of the revenue neutral rate shall be levied by  
23 the governing body of any taxing subdivision unless a resolution or  
24 ordinance has been approved by the governing body according to the  
25 following procedure:

26 (1) The governing body shall publish notice of its proposed intent to  
27 exceed the revenue neutral rate on the website of the governing body, if  
28 the governing body maintains a website, at least 10 days in advance of the  
29 public hearing. The notice shall include, but not be limited to, its proposed  
30 tax rate, its revenue neutral rate and the date, time and location of the  
31 public hearing.

32 (2) On or before July 15, the governing body shall notify the county  
33 clerk of its proposed intent to exceed the revenue neutral rate and provide  
34 the date, time and location of the public hearing and its proposed tax rate.  
35 The county clerk shall notify each taxpayer with property in the taxing  
36 subdivision, by mail directed to the taxpayer's last known address, of the  
37 proposed intent to exceed the revenue neutral rate at least 10 days in  
38 advance of the public hearing. Alternatively, the county clerk may transmit  
39 the notice to the taxpayer by electronic means at least 10 days in advance  
40 of the public hearing, if such taxpayer and county clerk have consented in  
41 writing to service by electronic means. Costs associated with the notice  
42 shall be borne by the taxing subdivision with payment due to the county  
43 clerk by December 31. The county clerk shall consolidate the required

1 information for all taxing subdivisions relevant to the taxpayer's property  
2 on one notice. The notice shall include, but not be limited to:

3 (A) The revenue neutral rate;

4 (B) the proposed property tax revenue needed to fund the proposed  
5 budget;

6 (C) the proposed tax rate based upon the proposed budget and the  
7 current year's total assessed valuation;

8 (D) the tax rate and property tax of the taxing subdivision on the  
9 taxpayer's property from the previous year's tax statement;

10 (E) the proposed percent change in the tax rate between the previous  
11 year's tax rate and the proposed tax rate for the current year;

12 (F) the appraised value and assessed value of the taxpayer's property  
13 for the current year;

14 (G) the estimates of the tax for the current tax year on the taxpayer's  
15 property based on the revenue neutral rate and the proposed tax rate; and

16 (H) the date, time and location of the public hearing.

17 (3) The public hearing to consider exceeding the revenue neutral rate  
18 shall be held on or before September 10. The governing body shall provide  
19 interested taxpayers desiring to be heard an opportunity to present oral  
20 testimony within reasonable time limits and without unreasonable  
21 restriction on the number of individuals allowed to make public comment.  
22 The public hearing may be conducted in conjunction with the proposed  
23 budget hearing pursuant to K.S.A. 79-2929, and amendments thereto, if  
24 the governing body otherwise complies with all requirements of this  
25 section.

26 (4) A majority vote of the governing body, by the adoption of a  
27 resolution or ordinance to approve exceeding the revenue neutral rate,  
28 shall be required prior to adoption of a proposed budget that will result in a  
29 tax rate in excess of the revenue neutral rate. Such vote of the governing  
30 body shall be conducted at the public hearing after the governing body has  
31 heard from interested taxpayers.

32 (c) Any governing body subject to the provisions of this section that  
33 does not comply with subsection (b) shall refund to taxpayers any property  
34 taxes over-collected based on the amount of the levy that was in excess of  
35 the revenue neutral rate. The provisions of this subsection shall not be  
36 construed as prohibiting any other remedies available under the law.

37 (d) The provisions of this section shall not apply to school districts  
38 organized and operating under the laws of this state.

39 (e) If the governing body of a taxing subdivision must conduct a  
40 public hearing to approve exceeding the revenue neutral rate under this  
41 section, the governing body of the taxing subdivision shall certify, on or  
42 before September 20, to the proper county clerk the amount of ad valorem  
43 tax to be levied.

1 (f) As used in this section:

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

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

13 (g) The provisions of this section shall take effect and be in force  
14 from and after January 1, 2021.

15 New Sec. 11. (a) Notwithstanding any provision of law to the  
16 contrary, no interest shall accrue on any unpaid property tax for tax year  
17 2019 pursuant to K.S.A. 79-2004 and 79-2004a, and amendments thereto,  
18 from May 10, 2020, through August 10, 2020, nor shall the unpaid tax for  
19 tax year 2019 be considered delinquent during this period.

20 (b) With respect to any unpaid property tax for tax year 2019 due  
21 pursuant to K.S.A. 79-2004 and 79-2004a, and amendments thereto, the  
22 county shall waive any fees, expenses and costs relating to delinquent  
23 property tax collection procedures that the county charged to the taxpayer  
24 prior to August 11, 2020.

25 (c) The county may refund, credit or retain any interest, fees,  
26 expenses or costs collected prior to the effective date of this act if the total  
27 amount collected is equal to or less than \$25 for each delinquent property.

28 Sec. 12. K.S.A. 79-1460 is hereby amended to read as follows: 79-  
29 1460. (a) The county appraiser shall notify each taxpayer in the county  
30 annually on or before March 1 for real property and May 1 for personal  
31 property, by mail directed to the taxpayer's last known address, of the  
32 classification and appraised valuation of the taxpayer's property, except  
33 that, the valuation for all real property shall not be increased unless the  
34 record of the latest physical inspection was reviewed by the county or  
35 district appraiser, and documentation exists to support such increase in  
36 valuation in compliance with the directives and specifications of the  
37 director of property valuation, and such record and documentation is  
38 available to the affected taxpayer. *The valuation for all real property also*  
39 *shall not be increased solely as the result of normal repair, replacement or*  
40 *maintenance of existing structures, equipment or improvements on the*  
41 *property. For purposes of this section, "normal repair, replacement or*  
42 *maintenance" does not include new construction as defined in this section.*  
43 For the next two taxable years following the taxable year that the valuation

1 for commercial real property has been reduced due to a final determination  
2 made pursuant to the valuation appeals process, the county appraiser shall  
3 review the computer-assisted mass-appraisal of the property and if the  
4 valuation in either of those two years exceeds the value of the previous  
5 year by more than 5%, excluding new construction, change in use or  
6 change in classification, the county appraiser shall either: (1) Adjust the  
7 valuation of the property based on the information provided in the  
8 previous appeal; or (2) order an independent fee simple appraisal of the  
9 property to be performed by a Kansas certified real property appraiser. As  
10 used in this section, "new construction" means the construction of any new  
11 structure or improvements or the remodeling or renovation of any existing  
12 structures or improvements on real property. When the valuation for real  
13 property has been reduced due to a final determination made pursuant to  
14 the valuation appeals process for the prior year, and the county appraiser  
15 has already certified the appraisal rolls for the current year to the county  
16 clerk pursuant to K.S.A. 79-1466, and amendments thereto, the county  
17 appraiser may amend the appraisal rolls and certify the changes to the  
18 county clerk to implement the provisions of this subsection and reduce the  
19 valuation of the real property to the prior year's final determination, except  
20 that such changes shall not be made after October 31 of the current year.  
21 For the purposes of this section and in the case of real property, the term  
22 "taxpayer" shall be deemed to be the person in ownership of the property  
23 as indicated on the records of the office of register of deeds or county clerk  
24 and, in the case where the real property or improvement thereon is the  
25 subject of a lease agreement, such term shall also be deemed to include the  
26 lessee of such property if the lease agreement has been recorded or filed in  
27 the office of the register of deeds. Such notice shall specify separately both  
28 the previous and current appraised and assessed values for each property  
29 class identified on the parcel. Such notice shall also contain the uniform  
30 parcel identification number prescribed by the director of property  
31 valuation. Such notice shall also contain a statement of the taxpayer's right  
32 to appeal, the procedure to be followed in making such appeal and the  
33 availability without charge of the guide devised pursuant to subsection (b).  
34 Such notice may, and if the board of county commissioners so require,  
35 shall provide the parcel identification number, address and the sale date  
36 and amount of any or all sales utilized in the determination of appraised  
37 value of residential real property. In any year in which no change in  
38 appraised valuation of any real property from its appraised valuation in the  
39 next preceding year is determined, an alternative form of notification  
40 which has been approved by the director of property valuation may be  
41 utilized by a county. Failure to timely mail or receive such notice shall in  
42 no way invalidate the classification or appraised valuation as changed. The  
43 secretary of revenue shall adopt rules and regulations necessary to

1 implement the provisions of this section.

2 (b) For all taxable years commencing after December 31, 1999, there  
3 shall be provided to each taxpayer, upon request, a guide to the property  
4 tax appeals process. The director of the division of property valuation shall  
5 devise and publish such guide, and shall provide sufficient copies thereof  
6 to all county appraisers. Such guide shall include but not be limited to: (1)  
7 A restatement of the law which pertains to the process and practice of  
8 property appraisal methodology, including the contents of K.S.A. 79-503a  
9 and 79-1460, and amendments thereto; (2) the procedures of the appeals  
10 process, including the order and burden of proof of each party and time  
11 frames required by law; and (3) such other information deemed necessary  
12 to educate and enable a taxpayer to properly and competently pursue an  
13 appraisal appeal.

14 Sec. 13. K.S.A. 79-1801 is hereby amended to read as follows: 79-  
15 1801. (a) Except as provided by subsection (b), each year the governing  
16 body of any city, the trustees of any township, the board of education of  
17 any school district and the governing bodies of all other taxing  
18 subdivisions shall certify, on or before August 25, to the proper county  
19 clerk the amount of ad valorem tax to be levied. Thereupon, the county  
20 clerk shall place the tax upon the tax roll of the county, in the manner  
21 prescribed by law, and the tax shall be collected by the county treasurer.  
22 The county treasurer shall distribute the proceeds of the taxes levied by  
23 each taxing subdivision in the manner provided by K.S.A. 12-1678a, and  
24 amendments thereto.

25 (b) *Prior to January 1, 2021*, if the governing body of a city or  
26 county must conduct an election for an increase in property tax to fund any  
27 appropriation or budget under K.S.A. 2019 Supp. 25-433a, and  
28 amendments thereto, the governing body of the city or county shall certify,  
29 on or before October 1, to the proper county clerk the amount of ad  
30 valorem tax to be levied. *On and after January 1, 2021, if the governing*  
31 *body of a taxing subdivision must conduct a public hearing to approve*  
32 *exceeding the revenue neutral rate under section 10, and amendments*  
33 *thereto, the governing body of the taxing subdivision shall certify, on or*  
34 *before September 20, to the proper county clerk the amount of ad valorem*  
35 *tax to be levied.*

36 Sec. 14. K.S.A. 79-2302 is hereby amended to read as follows: 79-  
37 2302. (a) *Except as provided in subsection (b)*, between July 1 and July 10  
38 of each year, the county treasurer shall prepare a list of all real estate  
39 subject to sale, describing the real estate in the same manner as described  
40 of record in the office of the county clerk or the register of deeds of the  
41 county in which the real estate is located. The county treasurer also shall  
42 prepare an accompanying notice stating that the county treasurer will sell  
43 the real estate described in the list to the county for the amount of the

1 delinquent taxes and legal charges due on the real estate and that the sale  
2 will be on or after the first Tuesday of September following publication of  
3 the notice under K.S.A. 79-2303, and amendments thereto. The list shall  
4 show the names of the owners of the real estate, as shown of record in the  
5 office of the county clerk or the register of deeds of the county in which  
6 the real estate is located, the description and address, if available, of each  
7 tract or parcel of land and the total of the amount of unpaid taxes upon  
8 each tract or parcel. If any county treasurer at any time discovers that any  
9 tract or lot of real estate has not been put on the list of delinquent taxes and  
10 not sold for any preceding year, the treasurer shall be required to place the  
11 omitted tract or lot on the list of delinquent taxes for the current year, and  
12 sell the tract or lot as directed by this act in other cases.

13 *(b) For tax year 2019, between August 11, 2020, and August 21,*  
14 *2020, the county treasurer shall prepare such list of all real estate subject*  
15 *to sale that lists all real estate for which the 2019 taxes have not been paid*  
16 *in full on or before August 10, 2020.*

17 Sec. 15. K.S.A. 79-2303 is hereby amended to read as follows: 79-  
18 2303. (a) The county treasurer shall cause the notice and list prepared  
19 under K.S.A. 79-2302, and amendments thereto, to be published in the  
20 official county newspaper or in a newspaper of general circulation in the  
21 county in accordance with the provisions of K.S.A. 64-101, and  
22 amendments thereto. *Except as provided in subsection (b),* the notice and  
23 list shall be submitted to the newspaper on or before August 1 of each year  
24 and shall be published once each week for three consecutive weeks  
25 immediately prior to the week when the day of sale will occur. The county  
26 treasurer also shall cause a copy of the list and notice to be posted in some  
27 conspicuous place in the county treasurer's office. The cost of publication  
28 of the notice and list shall be paid from the general fund of the county, and  
29 a \$15 fee for each tract or lot shall be added to the tax due for the tract or  
30 lot as part of the costs of collection. The fee shall be collected in the  
31 manner provided for the collection of the unpaid taxes.

32 *(b) With respect to tax year 2019, the notice and list shall be*  
33 *submitted to the newspaper on or before September 1, 2020, and shall be*  
34 *published once each week for three consecutive weeks immediately prior*  
35 *to the week when the day of sale will occur. The county treasurer shall*  
36 *advertise and sell such real estate on or before the fourth Monday of*  
37 *October 2020, and such advertisement and sale shall conform in all*  
38 *respects to the provisions of this act and shall be as binding and valid as if*  
39 *such sale had been made on the first Tuesday of September.*

40 Sec. 16. K.S.A. 79-2925c is hereby amended to read as follows: 79-  
41 2925c. (a) (1) On and after January 1, 2017, *and prior to January 1, 2021,*  
42 the governing body of any city or county shall not approve any  
43 appropriation or budget which provides for funding by property tax

1 revenues in an amount exceeding that of the next preceding year as  
2 adjusted to reflect the average changes in the consumer price index for all  
3 urban consumers as published by the United States department of labor for  
4 the preceding five calendar years, which shall not be less than zero, unless  
5 the city or county approves the appropriation or budget with the adoption  
6 of a resolution and such resolution has been submitted to and approved by  
7 a majority of the qualified electors of the city or county voting at an  
8 election called and held thereon, except as otherwise provided.

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

11 (A) Held at the next regularly scheduled election to be held in August  
12 or November;

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

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

19 (b) A resolution by the governing body of a city or county otherwise  
20 required by the provisions of this section shall not be required to be  
21 approved by an election required by subsection (a) under the following  
22 circumstances:

23 (1) Increased property tax revenues that, in the current year, are  
24 produced and attributable to the taxation of:

25 (A) The construction of any new structures or improvements or the  
26 remodeling or renovation of any existing structures or improvements on  
27 real property, which shall not include any ordinary maintenance or repair  
28 of any existing structures or improvements on the property;

29 (B) increased personal property valuation;

30 (C) real property located within added jurisdictional territory;

31 (D) real property which has changed in use;

32 (E) expiration of any abatement of property from property tax; or

33 (F) expiration of a tax increment financing district, rural housing  
34 incentive district, neighborhood revitalization area or any other similar  
35 property tax rebate or redirection program.

36 (2) Increased property tax revenues that will be spent on:

37 (A) Bond, temporary notes, no fund warrants, state infrastructure  
38 loans and interest payments not exceeding the amount of ad valorem  
39 property taxes levied in support of such payments, and payments made to a  
40 public building commission and lease payments but only to the extent such  
41 payments were obligations that existed prior to July 1, 2016;

42 (B) payment of special assessments not exceeding the amount of ad  
43 valorem property taxes levied in support of such payments;

1 (C) court judgments or settlements of legal actions against the city or  
2 county and legal costs directly related to such judgments or settlements;

3 (D) expenditures of city or county funds that are specifically  
4 mandated by federal or state law with such mandates becoming effective  
5 on or after July 1, 2015, and loss of funds from federal sources after  
6 January 1, 2017, where the city or county is contractually obligated to  
7 provide a service;

8 (E) expenses relating to a federal, state or local disaster or federal,  
9 state or local emergency, including, but not limited to, a financial  
10 emergency, declared by a federal or state official. The board of county  
11 commissioners may request the governor to declare such disaster or  
12 emergency; or

13 (F) increased costs above the consumer price index for law  
14 enforcement, fire protection or emergency medical services.

15 (3) Any increased property tax revenues generated for law  
16 enforcement, fire protection or emergency medical services shall be  
17 expended exclusively for these purposes but shall not be used for the  
18 construction or remodeling of buildings.

19 (4) The property tax revenues levied by the city or county have  
20 declined:

21 (A) In one or more of the next preceding three calendar years and the  
22 increase in the amount of funding for the budget or appropriation from  
23 revenue produced from property taxes does not exceed the average amount  
24 of funding from such revenue of the next preceding three calendar years,  
25 adjusted to reflect changes in the consumer price index for all urban  
26 consumers as published by the United States department of labor for the  
27 preceding calendar year; or

28 (B) the increase in the amount of ad valorem tax to be levied is less  
29 than the change in the consumer price index plus the loss of assessed  
30 property valuation that has occurred as the result of legislative action,  
31 judicial action or a ruling by the board of tax appeals.

32 (5) Whenever a city or county is required by law to levy taxes for the  
33 financing of the budget of any political or governmental subdivision of this  
34 state that is not authorized by law to levy taxes on its own behalf, and the  
35 governing body of such city or county is not authorized or empowered to  
36 modify or reduce the amount of taxes levied therefore, the tax levies of the  
37 political or governmental subdivision shall not be included in or  
38 considered in computing the aggregate limitation upon the property tax  
39 levies of the city or county.

40 (6) Any tax levy increase as a result of another taxing entity being  
41 dissolved and all powers, responsibilities, duties and liabilities of the  
42 taxing entity have been transferred to a city located in the county in which  
43 the taxing entity is located, or to the county in which the taxing entity is

1 located, to carry on the function and responsibilities of the dissolved  
2 taxing entity, so long as the levy increase does not exceed the levy of the  
3 dissolved taxing entity.

4 Sec. 17. K.S.A. 79-2024 is hereby amended to read as follows: 79-  
5 2024. Notwithstanding any other provision of law to the contrary, the  
6 county treasurer of every county may accept partial payment ~~or~~ *or*  
7 *establish a payment plan for* delinquent *or nondelinquent* real property tax  
8 or personal property tax in accordance with payment guidelines  
9 established therefor by the county treasurer. Nothing in this section shall  
10 be construed to modify any consequences of untimely payment.

11 Sec. 18. K.S.A. 79-1110, 79-1460, 79-1801, 79-2024, 79-2302, 79-  
12 2303, 79-2925c, 79-3221 and 79-3225 are hereby repealed.

13 Sec. 19. This act shall take effect and be in force from and after its  
14 publication in the Kansas register.