

House Concurrent Resolution No. 5010

By Committee on Taxation

1-30

A PROPOSITION to amend section 1 of article 11 of the constitution of the state of Kansas, relating to the classification of land devoted to recreational use.

Be it resolved by the Legislature of the State of Kansas, two-thirds of the members elected (or appointed) and qualified to the House of Representatives and two-thirds of the members elected (or appointed) and qualified to the Senate concurring therein:

Section 1. The following proposition to amend the constitution of the state of Kansas shall be submitted to the qualified electors of the state for their approval or rejection: section 1 of article 11 of the constitution of the state of Kansas is hereby amended to read as follows:

“§ 1. System of taxation; classification; exemption (a) The provisions of this subsection shall govern the assessment and taxation of property on and after January 1, 1993, and each year thereafter. Except as otherwise hereinafter specifically provided, the legislature shall provide for a uniform and equal basis of valuation and rate of taxation of all property subject to taxation. The legislature may provide for the classification and the taxation uniformly as to class of recreational vehicles, as defined by the legislature, or may exempt such class from property taxation and impose taxes upon another basis in lieu thereof. The provisions of this subsection shall not be applicable to the taxation of motor vehicles, except as otherwise hereinafter specifically provided, mineral products, money, mortgages, notes and other evidence of debt and grain. Property shall be classified into the following classes for the purpose of assessment and assessed at the percentage of value prescribed therefor:

Class 1 shall consist of real property. Real property shall be further classified into seven subclasses. Such property shall be defined by law for the purpose of subclassification and assessed uniformly as to subclass at the following percentages of value:

- 1 (1) Real property used for residential purposes including multi-family
- 2 residential real property and real property necessary to accommo-
- 3 date a residential community of mobile or manufactured homes in-
- 4 cluding the real property upon which such homes are located 11¹/₂%
- 5 (2) Land devoted to agricultural use which shall be valued upon the
- 6 basis of its agricultural income or agricultural productivity pursuant
- 7 to section 12 of article 11 of the constitution..... 30%
- 8 (3) Vacant lots 12%
- 9 (4) Real property which is owned and operated by a not-for-profit or-
- 10 ganization not subject to federal income taxation pursuant to section
- 11 501 of the federal internal revenue code, *and land which is devoted*
- 12 *to recreational use*, and which *real property or land* is included in
- 13 this subclass by law..... 12%
- 14 (5) Public utility real property, except railroad real property which shall
- 15 be assessed at the average rate that all other commercial and indus-
- 16 trial property is assessed 33%
- 17 (6) Real property used for commercial and industrial purposes and
- 18 buildings and other improvements located upon land devoted to ag-
- 19 ricultural use..... 25%
- 20 (7) All other urban and rural real property not otherwise specifically
- 21 subclassified 30%

22 Class 2 shall consist of tangible personal property. Such tangible
 23 personal property shall be further classified into six subclasses, shall
 24 be defined by law for the purpose of subclassification and assessed
 25 uniformly as to subclass at the following percentages of value:

- 26 (1) Mobile homes used for residential purposes..... 11¹/₂%
- 27 (2) Mineral leasehold interests except oil leasehold interests the average
- 28 daily production from which is five barrels or less, and natural gas
- 29 leasehold interests the average daily production from which is 100
- 30 mcf or less, which shall be assessed at 25% 30%
- 31 (3) Public utility tangible personal property including inventories
- 32 thereof, except railroad personal property including inventories
- 33 thereof, which shall be assessed at the average rate all other com-
- 34 mercial and industrial property is assessed 33%
- 35 (4) All categories of motor vehicles not defined and specifically valued
- 36 and taxed pursuant to law enacted prior to January 1, 1985 30%

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- 1 (5) Commercial and industrial machinery and equipment which, if its
- 2 economic life is seven years or more, shall be valued at its retail cost
- 3 when new less seven-year straight-line depreciation, or which, if its
- 4 economic life is less than seven years, shall be valued at its retail cost
- 5 when new less straight-line depreciation over its economic life, ex-
- 6 cept that, the value so obtained for such property, notwithstanding
- 7 its economic life and as long as such property is being used, shall
- 8 not be less than 20% of the retail cost when new of such
- 9 property..... 25%
- 10 (6) All other tangible personal property not otherwise specifically
- 11 classified 30%

12 “(b) All property used exclusively for state, county, municipal,

13 literary, educational, scientific, religious, benevolent and charitable

14 purposes, farm machinery and equipment, merchants’ and manu-

15 facturers’ inventories, other than public utility inventories included

16 in subclass (3) of class 2, livestock, and all household goods and

17 personal effects not used for the production of income, shall be

18 exempted from property taxation.”

19 Sec. 2. The following statement shall be printed on the ballot with

20 the amendment as a whole:

21 “*Explanatory statement.* This amendment would reclassify land de-

22 voted to recreational use if so provided by law.

23 “A vote for this proposition would allow the enactment of law pro-

24 viding for the reclassification of land devoted to recreational use

25 from subclass (7) to subclass (4) of class 1, thereby reducing the

26 assessment rate to be applied for property tax purposes from

27 30% to 12%.

28 “A vote against this proposition would continue the application of

29 the existing assessment rate of 30% to land devoted to recrea-

30 tional use for property tax purposes.”

31 Sec. 3. This resolution, if approved by two-thirds of the members

32 elected (or appointed) and qualified to the House of Representatives and

33 two-thirds of the members elected (or appointed) and qualified to the

34 Senate, shall be entered on the journals, together with the yeas and nays.

35 The secretary of state shall cause this resolution to be published as pro-

36 vided by law and shall cause the proposed amendment to be submitted

37 to the electors of the state at the general election to be held on November

38 5, 2002.

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