

House Concurrent Resolution No. 5008

By Representatives Huff, Dahl, DeCastro, Faust-Goudeau, Gordon, Hayzlett, Horst, Lane, Mah, Jim Morrison, Storm, Vickrey and Yonally

1-27

10 A PROPOSITION to amend section 1 of article 11 of the constitution
11 of the state of Kansas.

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13 *Be it resolved by the Legislature of the State of Kansas, two-thirds of the*
14 *members elected (or appointed) and qualified to the House of Repre-*
15 *sentatives and two-thirds of the members elected (or appointed) and*
16 *qualified to the Senate concurring therein:*

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

21 “§ 1. **System of taxation; classification; exemption** (a) The pro-
22 visions of this subsection shall govern the assessment and taxation
23 of property on and after January 1, 1993, and each year thereafter.
24 Except as otherwise hereinafter specifically provided, the legislature
25 shall provide for a uniform and equal basis of valuation and rate of
26 taxation of all property subject to taxation. *Effective January 1, 2007,*
27 *the legislature shall provide by law to prohibit valuation increases*
28 *on single-family residential real property with a valuation of less*
29 *than \$100,000 which is owned by and the principal place of resi-*
30 *dence of Kansas residents who are 65 years of age or older as of*
31 *January 1 of the tax year. The legislature may provide by law for*
32 *subsequent adjustments in the age and the valuation requirements*
33 *and enact such other legislation as is necessary to administer this*
34 *provision.* The legislature may provide for the classification and the
35 taxation uniformly as to class of recreational vehicles, as defined by
36 the legislature, or may exempt such class from property taxation
37 and impose taxes upon another basis in lieu thereof. The provisions
38 of this subsection shall not be applicable to the taxation of motor
39 vehicles, except as otherwise hereinafter specifically provided, min-
40 eral products, money, mortgages, notes and other evidence of debt
41 and grain. Property shall be classified into the following classes for
42 the purpose of assessment and assessed at the percentage of value
43 prescribed therefor:

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

- 5 (1) Real property used for residential purposes including multi-family
6 residential real property and real property necessary to accommodate
7 a residential community of mobile or manufactured homes including
8 the real property upon which such homes are located..... 11½%
- 9 (2) Land devoted to agricultural use which shall be valued upon the
10 basis of its agricultural income or agricultural productivity pursuant
11 to section 12 of article 11 of the constitution..... 30%
- 12 (3) Vacant lots 12%
- 13 (4) Real property which is owned and operated by a not-for-profit or-
14 ganization not subject to federal income taxation pursuant to section
15 501 of the federal internal revenue code, and which is included in this
16 subclass by law 12%
- 17 (5) Public utility real property, except railroad real property which shall
18 be assessed at the average rate that all other commercial and industrial
19 property is assessed 33%
- 20 (6) Real property used for commercial and industrial purposes and
21 buildings and other improvements located upon land devoted to ag-
22 ricultural use 25%
- 23 (7) All other urban and rural real property not otherwise specifically
24 subclassified 30%

25 Class 2 shall consist of tangible personal property. Such tangible per-
26 sonal property shall be further classified into six subclasses, shall be de-
27 fined by law for the purpose of subclassification and assessed uniformly
28 as to subclass at the following percentages of value:

- 29 (1) Mobile homes used for residential purposes..... 11½%
- 30 (2) Mineral leasehold interests except oil leasehold interests the average
31 daily production from which is five barrels or less, and natural gas
32 leasehold interests the average daily production from which is 100
33 mcf or less, which shall be assessed at 25% 30%
- 34 (3) Public utility tangible personal property including inventories
35 thereof, except railroad personal property including inventories
36 thereof, which shall be assessed at the average rate all other com-
37 mercial and industrial property is assessed 33%
- 38 (4) All categories of motor vehicles not defined and specifically valued
39 and taxed pursuant to law enacted prior to January 1, 1985..... 30%

- 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, except
- 6 that, the value so obtained for such property, notwithstanding its eco-
- 7 nomic life and as long as such property is being used, shall not be
- 8 less than 20% of the retail cost when new of such property..... 25%
- 9 (6) All other tangible personal property not otherwise specifically
- 10 classified..... 30%

11 (b) All property used exclusively for state, county, municipal, literary,
 12 educational, scientific, religious, benevolent and charitable purposes,
 13 farm machinery and equipment, merchants' and manufacturers' inven-
 14 tories, other than public utility inventories included in subclass (3) of class
 15 2, livestock, and all household goods and personal effects not used for
 16 the production of income, shall be exempted from property taxation."

17 Sec. 2. The following statement shall be printed on the ballot with
 18 the amendment as a whole:

19 "Explanatory statement. This amendment would require the legisla-
 20 ture to prohibit valuation increases of single-family residential real
 21 property with a valuation of less than \$100,000 which is owned by
 22 and the principal place of residence of Kansas residents who are 65
 23 years of age or older. The legislature may provide for subsequent
 24 adjustments in the age and valuation requirements and other leg-
 25 islation to administer this provision.

26 "A vote for this proposition would require the legislature to prohibit
 27 valuation increases of single-family residential real property with a
 28 valuation of less than \$100,000 which is owned by and the principal
 29 place of residence of Kansas residents who are 65 years of age or
 30 older and allow the legislature to make subsequent adjustments in
 31 the age and valuation requirements and enact other legislation as
 32 necessary to administer this provision.

33 "A vote against this proposition would maintain the current system of
 34 property taxation which provides no such prohibition."

35 Sec. 3. This resolution, if approved by two-thirds of the members
 36 elected (or appointed) and qualified to the House of Representatives, and
 37 two-thirds of the members elected (or appointed) and qualified to the
 38 Senate shall be entered on the journals, together with the yeas and nays.
 39 The secretary of state shall cause this resolution to be published as pro-
 40 vided by law and shall cause the proposed amendment to be submitted
 41 to the electors of the state at the general election to be held on November
 42 6, 2006.