

House Concurrent Resolution No. 5013

By Representatives King, Vickrey, Brown, Burgess, Colyer, Crum, Faber, Faust-Goudeau, George, Goico, Gordon, Grange, Horst, Kelley, Kiegerl, Kinzer, Knox, Landwehr, Lane, Mast, Merrick, Metsker, Judy Morrison, Jim Morrison, Myers, O'Neal, Otto, Patton, Peck, Powers, Proehl, Schroeder, Schwartz, Spalding, Swanson, Swenson, Tafanelli, Watkins, Williams and B. Wolf

2-2

14 A PROPOSITION to amend section 1 of article 11 of the constitution
15 of the state of Kansas, relating to property taxation.

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

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

25 “§ 1. **System of taxation; classification; exemption**(a) The
26 provisions of this subsection shall govern the assessment and taxa-
27 tion of property on and after January 1, 1993, and each year there-
28 after. Except as otherwise hereinafter specifically provided, the leg-
29 islature shall provide for a uniform and equal basis of valuation and
30 rate of taxation of all property subject to taxation. *The legislature*
31 *shall provide by law to prohibit valuation increases on real or per-*
32 *sonal property used for residential purposes which is owned by and*
33 *the principal place of residence of a Kansas resident who is 65 years*
34 *of age or older as of January 1 of the tax year, and the legislature*
35 *may enact legislation to limit application of this provision and enact*
36 *such other legislation as is necessary to administer this provision.*
37 The legislature may provide for the classification and the taxation
38 uniformly as to class of recreational vehicles, as defined by the leg-
39 islature, or may exempt such class from property taxation and im-
40 pose taxes upon another basis in lieu thereof. The provisions of this
41 subsection shall not be applicable to the taxation of motor vehicles,
42 except as otherwise hereinafter specifically provided, mineral prod-
43 ucts, money, mortgages, notes and other evidence of debt and grain.

1 Property shall be classified into the following classes for the purpose
2 of assessment and assessed at the percentage of value prescribed
3 therefor:

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

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

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

- 33 (1) Mobile homes used for residential purposes 11½%
- 34 (2) Mineral leasehold interests except oil leasehold interests the average
35 daily production from which is five barrels or less, and natural
36 gas leasehold interests the average daily production from which
37 is 100 mcf or less, which shall be assessed at 25% 30%
- 38 (3) Public utility tangible personal property including inventories
39 thereof, except railroad personal property including inventories
40 thereof, which shall be assessed at the average rate all other
41 commercial and industrial property is assessed 33%
- 42 (4) All categories of motor vehicles not defined and specifically valued
43 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
- 3 cost when new less seven-year straight-line depreciation, or
- 4 which, if its economic life is less than seven years, shall be valued
- 5 at its retail cost when new less straight-line depreciation over its
- 6 economic life, except that, the value so obtained for such prop-
- 7 erty, notwithstanding its economic life and as long as such prop-
- 8 erty is being used, shall not be less than 20% of the retail cost
- 9 when new of such 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, literary,

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

14 farm machinery and equipment, merchants' and manufacturers' inven-

15 tories, other than public utility inventories included in subclass (3) of class

16 2, livestock, and all household goods and personal effects not used for

17 the production of income, shall be exempted from property taxation."

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

19 the amendment as a whole:

20 "Explanatory statement. This amendment would require the legis-

21 lature to prohibit valuation increases of real or personal prop-

22 erty used for residential purposes which is owned by and the

23 principal place of residence of a Kansas resident who is 65 years

24 of age or older in certain circumstances.

25 "A vote for this proposition would require the legislature to prohibit

26 valuation increases of real or personal property used for resi-

27 dential purposes which is owned by and the principal place of

28 residence of a Kansas resident who is 65 years of age or older.

29 The amendment would also allow the legislature to enact leg-

30 islation to limit application of this provision and enact other

31 legislation as necessary to administer this provision.

32 "A vote against this proposition would maintain the current system

33 of property taxation which provides no such prohibition."

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

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

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

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

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

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

40 to the electors of the state at the general election to be held on the first

41 Tuesday after the first Monday in November, 2008, unless a special elec-

42 tion is called at a sooner date by concurrent resolution of the legislature,

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- 1 in which case it shall be submitted to the electors of the state at the special
- 2 election.