

Senate Concurrent Resolution No. 1602

By Special Committee on Assessment and Taxation

1-26

10 A PROPOSITION to amend section 1 of article 11 of the constitution of
11 the state of Kansas, relating to the classification and taxation of
12 watercraft.

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

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

22 “§ 1. **System of taxation; classification; exemption.** (a) The
23 provisions of this subsection shall govern the assessment and taxa-
24 tion of property on and after January 1, ~~1993~~ 2011, and each year
25 thereafter. Except as otherwise hereinafter specifically provided,
26 the legislature shall provide for a uniform and equal basis of valu-
27 ation and rate of taxation of all property subject to taxation. The
28 legislature may provide for the classification and the taxation uni-
29 formly as to class of recreational vehicles *and watercraft*, as defined
30 by the legislature, or may exempt such class from property taxation
31 and impose taxes upon another basis in lieu thereof. The provisions
32 of this subsection shall not be applicable to the taxation of motor
33 vehicles, except as otherwise hereinafter specifically provided, min-
34 eral products, money, mortgages, notes and other evidence of debt
35 and grain. Property shall be classified into the following classes for
36 the purpose of assessment and assessed at the percentage of value
37 prescribed therefor:

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

- 42 (1) Real property used for residential purposes including multi-family res-
43 idential real property and real property necessary to accommodate a

1	residential community of mobile or manufactured homes including	
2	the real property upon which such homes are located.....	11½%
3	(2) Land devoted to agricultural use which shall be valued upon the	
4	basis of its agricultural income or agricultural productivity pursuant	
5	to section 12 of article 11 of the constitution.....	30%
6	(3) Vacant lots	12%
7	(4) Real property which is owned and operated by a not-for-profit or-	
8	ganization not subject to federal income taxation pursuant to section	
9	501 of the federal internal revenue code, and which is included in	
10	this subclass by law.....	12%
11	(5) Public utility real property, except railroad real property which shall	
12	be assessed at the average rate that all other commercial and indus-	
13	trial property is assessed	33%
14	(6) Real property used for commercial and industrial purposes and	
15	buildings and other improvements located upon land devoted to ag-	
16	ricultural use.....	25%
17	(7) All other urban and rural real property not otherwise specifically	
18	subclassified	30%
19	Class 2 shall consist of tangible personal property. Such tangible per-	
20	sonal property shall be further classified into six subclasses, shall be de-	
21	fined by law for the purpose of subclassification and assessed uniformly	
22	as to subclass at the following percentages of value:	
23	(1) Mobile homes used for residential purposes.....	11½%
24	(2) Mineral leasehold interests except oil leasehold interests the average	
25	daily production from which is five barrels or less, and natural gas	
26	leasehold interests the average daily production from which is 100	
27	mcf or less, which shall be assessed at 25%	30%
28	(3) Public utility tangible personal property including inventories	
29	thereof, except railroad personal property including inventories	
30	thereof, which shall be assessed at the average rate all other com-	
31	mercial and industrial property is assessed	33%
32	(4) All categories of motor vehicles not defined and specifically valued	
33	and taxed pursuant to law enacted prior to January 1, 1985.....	30%
34	(5) Commercial and industrial machinery and equipment which, if its	
35	economic life is seven years or more, shall be valued at its retail cost	
36	when new less seven-year straight-line depreciation, or which, if its	
37	economic life is less than seven years, shall be valued at its retail cost	
38	when new less straight-line depreciation over its economic life, ex-	
39	cept that, the value so obtained for such property, notwithstanding	
40	its economic life and as long as such property is being used, shall	
41	not be less than 20% of the retail cost when new of such	
42	property.....	25%

1 (6) All other tangible personal property not otherwise specifically
 2 classified 30%

3 (b) All property used exclusively for state, county, municipal, literary,
 4 educational, scientific, religious, benevolent and charitable purposes,
 5 farm machinery and equipment, merchants' and manufacturers' inven-
 6 tories, other than public utility inventories included in subclass (3) of class
 7 2, livestock, and all household goods and personal effects not used for
 8 the production of income, shall be exempted from property taxation."

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

11 "Explanatory statement. This amendment would allow the legisla-
 12 ture to classify and tax watercraft upon a basis different from other
 13 property.

14 "A vote for this proposition would permit the legislature to provide
 15 for separate classification and taxation of watercraft and to exempt such
 16 property from property taxation and impose taxes in lieu thereof.

17 "A vote against this proposition would continue the taxation of wa-
 18 tercraft in the same manner as all other property."

19 Sec. 3. This resolution, if approved by two-thirds of the members
 20 elected (or appointed) and qualified to the Senate, and two-thirds of the
 21 members elected (or appointed) and qualified to the House of Repre-
 22 sentatives, shall be entered on the journals, together with the yeas and
 23 nays. The secretary of state shall cause this resolution to be published as
 24 provided by law and shall cause the proposed amendment to be submitted
 25 to the electors of the state at the general election to be held in ~~August~~
 26 [**November**] 2010.