AN ACT concerning property taxation; relating to agricultural improvement, public grain warehouse and commercial real property destroyed or substantially destroyed by natural disaster; amending K.S.A. 79-1613 and repealing the existing section.

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

Section 1. K.S.A. 79-1613 is hereby amended to read as follows: 79-1613. (a) (1) As used in this section subsection:

(1)(A) "Destroyed or substantially destroyed" means damage of any origin sustained by a homestead as the direct result of: (A) An earthquake, flood, tornado, fire or storm; or (B) an event or occurrence which that the governor of the state of Kansas has declared a disaster, whereby the cost of restoring the structure to its before-damaged condition would equal or exceed 50% of the market value of the structure before the damage occurred.

(2)(B) "Homestead" means the dwelling, or any part thereof, whether owned or rented, which that is occupied as a residence by the household and so much of the land surrounding it, as defined as a home site for ad valorem tax purposes, and may consist of a part of a multi-dwelling or multi-purpose building and a part of the land upon which it is built or a manufactured home or mobile home and the land upon which it is situated.

"Owned" includes a vendee in possession under a land contract, a life tenant, a beneficiary under a trust and one or more joint tenants or tenants in common.

(3) "Public or private buyout" means any buyout from a local, state or federal governmental entity or any non-governmental entity, including, but not limited to, an individual, foundation, trust, association, corporation, limited liability company or partnership.

(b)(2) The owner of any homestead listed and assessed for property taxation purposes which that was destroyed or substantially destroyed due to an earthquake, flood, tornado, fire, storm, or other event or occurrence which that the governor of the state of Kansas has declared a disaster may make application to the board of county commissioners of the county in which such property is located for the abatement of property taxes levied upon such homestead or for a credit against property taxes payable by such owner, as permitted by this section.
(1)(A) If such homestead has been so destroyed or substantially destroyed after January 1 of a particular year but prior to August 15 of such year, the owner of such homestead may make application to such board of county commissioners for the abatement of property taxes levied upon such homestead, or if such property taxes have been paid or partially paid, may make application for the granting of a credit against property taxes payable by such owner during any or all of the next succeeding three taxable years.

(2)(B) If such homestead has been so destroyed or substantially destroyed on or after August 15 of a particular year but prior to January 1 of the next succeeding year, the owner of such homestead may make application to such board of county commissioners for the granting of a credit against property taxes payable by such owner during any or all of the next succeeding three taxable years.

(b) (1) As used in this subsection:

(A) "Agricultural improvement" means a farm building or structure, including, but not limited to, a barn, shed, grain bin or outbuilding, utilized for the production of livestock or crops and listed and classified as an agricultural improvement for property taxation purposes.

(B) "Destroyed or substantially destroyed" means damage sustained by an agricultural improvement or commercial real property as the direct result of an earthquake, flood, tornado, fire, storm or other natural disaster event or occurrence that the governor of the state of Kansas has declared a disaster, whereby the cost of restoring the building or structure to its before-damaged condition would equal or exceed 50% of the market value of the building or structure before the damage occurred. For purposes of this subsection, such earthquake, flood, tornado, fire, storm or other natural disaster event or occurrence must be declared a disaster by the governor of the state of Kansas.

(2) The owner of any agricultural improvement or commercial real property that was destroyed or substantially destroyed may make application to the board of county commissioners of the county in which such property is located for the abatement of property taxes levied upon such agricultural improvement or commercial real property or for a credit against property taxes payable by such owner, as permitted by this section.

(A) If such agricultural improvement or commercial real property has been so destroyed or substantially destroyed after January 1 of a particular year but prior to August 15 of such year, the owner of such agricultural improvement or commercial real property may make application to such board of county commissioners for the abatement of property taxes levied upon such agricultural improvement or commercial real property, or if such property taxes have been paid or partially paid,
may make application for the granting of a credit against property taxes payable by such owner during any or all of the next succeeding three taxable years.

(B) If such agricultural improvement or commercial real property has been so destroyed or substantially destroyed on or after August 15 of a particular year but prior to January 1 of the next succeeding year, the owner of such agricultural improvement or commercial real property may make application to such board of county commissioners for the granting of a credit against property taxes payable by such owner during any or all of the next succeeding three taxable years.

(c) (1) As used in this subsection:

(A) "Destroyed or substantially destroyed" means damage sustained by a public grain warehouse as the direct result of an earthquake, flood, tornado, fire, storm or other natural disaster event or occurrence that the governor of the state of Kansas has declared a disaster, whereby the cost of restoring the building or structure to its before-damaged condition would equal or exceed 50% of the market value of the building or structure before the damage occurred. For purposes of this subsection, such earthquake, flood, tornado, fire, storm or other natural disaster event or occurrence must be declared a disaster by the governor of the state of Kansas.

(B) "Public grain warehouse" means any grain bin, head house, storage facility or other structure located at a public grain warehouse location licensed pursuant to K.S.A. 34-228, and amendments thereto, or the United States warehouse act, 7 U.S.C. § 241 et seq. and utilized for the storage or handling of grain that is classified as real property for ad valorem tax purposes.

(2) The owner of any public grain warehouse that was destroyed or substantially destroyed may make application to the board of county commissioners of the county in which such property is located for the abatement of property taxes levied upon such public grain warehouse or for a credit against property taxes payable by such owner, as permitted by this section.

(A) If such public grain warehouse has been so destroyed or substantially destroyed after January 1 of a particular year but prior to August 15 of such year, the owner of such public grain warehouse may make application to such board of county commissioners for the abatement of property taxes levied upon such public grain warehouse, or if such property taxes have been paid or partially paid, may make application for the granting of a credit against property taxes payable by such owner during any or all of the next succeeding three taxable years.

(B) If such public grain warehouse has been so destroyed or
substantially destroyed on or after August 15 of a particular year but prior to January 1 of the next succeeding year, the owner of such public grain warehouse may make application to such board of county commissioners for the granting of a credit against property taxes payable by such owner during any or all of the next succeeding three taxable years.

(d) An application for relief as permitted by subsections (a) and (b) and (c) may be made for abatement of property taxes assessed but not yet paid, or for a grant of a credit for assessed property taxes paid or for both, as the case may be, and may be made on or before December 20 of the year next succeeding the year for which such taxes have been assessed.

(d)(e) Upon receipt of any such application, subject to budgetary restraints of the county or taxing subdivision arising from the event or occurrence declared a disaster by the governor, the board of county commissioners shall inquire into and make findings regarding, among other things, whether the property is a homestead, as defined in subsection (a), whether the homestead was destroyed or substantially destroyed, as defined in subsection (a), whether the property is a commercial real property or an agricultural improvement, as defined in subsection (b), whether the commercial real property or agricultural improvement was destroyed or substantially destroyed, as defined in subsection (b), whether the property is a public grain warehouse, as defined in subsection (c), whether the public grain warehouse was destroyed or substantially destroyed, as defined in subsection (c) and the assessed valuation thereof. If it is determined that an owner of such homestead—or, commercial real property, agricultural improvement or public grain warehouse is entitled to an abatement of all or any portion of the property taxes levied against such homestead—or, commercial real property, agricultural improvement or public grain warehouse or is entitled to a credit against property taxes payable by such owner in any or all of the next succeeding three years, the board may issue an order so providing.

The board of county commissioners, at the option of the board, may provide the abatement of property taxes for any property or class of properties seeking such abatement.

(f) For any city, taxing unit located within a city, school district or community junior college district that has 25% or more of the total parcels of property damaged, such entity may object by passage of a resolution and retain its portion of the abated taxes. An entity may object by resolution within 14 days after notification by the county commission that the county has decided to abate such taxes. The entity's portion of property taxes shall be abated if the entity fails to object within 14 days.
(e)(g) The county clerk and county treasurer shall in each case of abatement or credit correct their records in accordance therewith and the county clerk shall notify the governing body of any taxing district affected thereby.

(f)(h) The provisions of this section shall be applicable to all taxable years commencing after December 31, 2018, and all taxable years thereafter.

Sec. 2. K.S.A. 79-1613 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.