AN ACT concerning property taxation; relating to exemptions; land
associated with a dam or reservoir and subject to a conservation
easement for the purpose of compensatory mitigation; amending
K.S.A. 79-201g and repealing the existing section.

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

Section 1. K.S.A. 79-201g is hereby amended to read as follows: 79-
201g. The following described property, to the extent herein specified,
shall be and is hereby exempt from all property or ad valorem taxes levied
under the laws of the state of Kansas:

(a) All real property which is contiguous to and a part of the same
tract of land upon which a dam or reservoir has been constructed and
certified by the chief engineer of the division of water resources in
compliance with requirements and specifications prescribed by K.S.A.
82a-405 et seq., and amendments thereto, in an amount equal to the
increase in the value of such real estate resulting from the construction of
such dam or reservoir and in addition thereto an amount computed
according to the following schedule:

| First ten acre-feet of storage capacity | $100 per acre-foot |
| Next five acre-feet of storage capacity | $300 per acre-foot |
| Next five acre-feet of storage capacity | $200 per acre-foot |
| Next five acre-feet of storage capacity | $100 per acre-foot |
| Remaining acre-feet of storage capacity  | $50 per acre-foot |

The total amount of the exemption for any single tract of land shall not
exceed five thousand dollars ($5,000) or forty percent (40%) of the assessed value thereof whichever is the lesser. No exemption shall
be granted pursuant to this subsection unless the landowner
shall apply to the chief engineer of the division of water resources for
certification of any dam or reservoir within one year after actual
completion thereof. Such exemption shall be applicable to such property
for a period of ten (10) years after the original certification of the dam
or reservoir; and

(b) All real property which is contiguous to and a part of the same
tract of land upon which a dam or reservoir has been constructed and
certified by the chief engineer of the division of water resources in
compliance with requirements and specifications prescribed by K.S.A.
82a-405 et seq., and amendments thereto, the owner of which at the time
of such certification donated to the state or to any of its agencies or
subdivisions land or easements or right-of-way for such erection or
maintenance of such dam or reservoir in an amount equal to twice the
assessed value of the land or easements or right-of-way donated. Such
exemption shall be based upon a specific description of the land donated,
excluding any land the elevation of which is higher than the top of the
dam, as prepared and provided by the chief engineer and the assessed
value thereof, as determined by the county assessor, for the year
in which the exemption is first granted. No exemption shall be granted
hereunder pursuant to this subsection unless the landowner shall apply to
the chief engineer of the division of water resources for certification of
such dam or reservoir and for a description of the land donated within five
(5) years after actual completion of the dam or reservoir or within two (2)
years after such land is listed for taxation if such land was exempt from
taxation under the laws of the state of Kansas at the time of the completion
of the dam or reservoir whichever is later. Such exemption shall be
applicable to such property for a period of twenty (20) years after the
original certification of such dam or reservoir by the chief engineer except
that if the landowner shall apply for such exemption more than two (2)
years after the actual completion of the dam or reservoir such exemption
shall be applicable to such property for a period of twenty (20) years
after the date of the actual completion of the dam or reservoir; and

(c) all real property subject to a donated conservation easement
associated with a watershed dam or reservoir described in subsection (b)
for the purpose of compensatory mitigation required under section 404 of
the federal clean water act held by the Kansas department of agriculture
division of conservation on behalf of any watershed district pursuant to
K.S.A. 2-1904, and amendments thereto, in an amount equal to twice the
assessed value of the land subject to the conservation easement that is not
exempt pursuant to subsection (b). The exemption shall be based upon a
specific description of the land subject to the conservation easement, as
approved by mitigation plans of the United States army corp of engineers,
and the assessed value, as determined by the county appraiser for the year
in which the exemption is first granted. No exemption shall be granted
pursuant to this subsection unless the landowner shall apply to the chief
engineer of the division of water resources for certification of such dam or
reservoir and for a description of the land donated within five years after
actual completion of the dam or reservoir or within two years after such
land is listed for taxation, if such land was exempt from taxation under the
laws of the state of Kansas at the time of the completion of the dam or
reservoir, whichever is later. Such exemption shall be applicable to such
property for a period of 20 years after the original certification of such
dam or reservoir by the chief engineer, except that if the landowner shall apply for such exemption more than two years after the actual completion of the dam or reservoir, such exemption shall be applicable to such property for a period of 20 years after the date of the actual completion of the dam or reservoir.

The provisions of this section shall apply to all taxable years commencing after December 31, 1974.

Sec. 2. K.S.A. 79-201g is hereby repealed.

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