SENATE BILL No. 242

By Senator Holland

AN ACT concerning property taxation; relating to agricultural improvement buildings and improvements 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 or subsection: section, subsection, "destroyed or substantially destroyed" means damage of any origin sustained by a homestead building or improvement as the direct result of: (A) An earthquake, flood, tornado, fire or storm; or (B) (ii) (2) 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.

(b)(2)(b) The owner of any homestead building or improvement listed and assessed for property taxation purposes which as real property 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 building or improvement or for a credit against property taxes payable by
such owner, as permitted by this section.

(1)(A) If such homestead building or improvement 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 building or improvement may make application to such board of county commissioners for the abatement of property taxes levied upon such homestead building or improvement, 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 building or improvement 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 building or improvement 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 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 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 for a credit against property taxes payable by such owner, as permitted by this section.

(A) If such agricultural improvement 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 may make application to such board of county commissioners for the abatement of property taxes levied upon such agricultural improvement,
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 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 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) An application for relief as permitted by subsections (a) and (b) 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) 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 building or improvement was destroyed or substantially destroyed, as defined in subsection (a), whether the property is an agricultural improvement, as defined in subsection (b), whether the agricultural improvement was destroyed or substantially destroyed, as defined in subsection (b) and the assessed valuation thereof. If it is determined that an owner of such homestead or agricultural improvement building or improvement is entitled to an abatement of all or any portion of the property taxes levied against such homestead or agricultural improvement building or improvement 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.

(e) 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) The provisions of this section shall be applicable to all taxable years commencing after December 31, 2011, 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.