AN ACT concerning property taxation; relating to exemptions; property
used to provide humanitarian services owned and operated by certain
not-for-profit organizations; amending K.S.A. 79-201 and repealing the
existing section.

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

Section 1. K.S.A. 79-201 is hereby amended to read as follows: 79-
201. 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:

First. All buildings used exclusively as places of public worship and all
buildings used exclusively by school districts and school district interlocal
cooperatives organized under the laws of this state, with the furniture and
books therein contained and used exclusively for the accommodation of
religious meetings or for school district or school district interlocal
cooperative purposes, whichever is applicable, together with the grounds
owned thereby if not leased or otherwise used for the realization of profit,
except that: (a) (1) Any school building, or portion thereof, together with
the grounds upon which the building is located, shall be considered to be
used exclusively by the school district for the purposes of this section
when leased by the school district to any political or taxing subdivision of
the state, including a school district interlocal cooperative, or to any
association, organization or nonprofit corporation entitled to tax exemption
with respect to such property; and (2) any school building, together with
the grounds upon which the building is located, shall be considered to be
used exclusively by a school district interlocal cooperative for the
purposes of this section when being acquired pursuant to a lease-purchase
agreement; and (b) any building, or portion thereof, used as a place of
worship, together with the grounds upon which the building is located,
shall be considered to be used exclusively for the religious purposes of this
section when used as a not-for-profit day care center for children which
that is licensed pursuant to K.S.A. 65-501 et seq., and amendments
thereof, or when used to house an area where the congregation of a church
society and others may purchase tracts, books and other items relating to
the promulgation of the church society's religious doctrines.

Second. All real property, and all tangible personal property, actually
and regularly used exclusively for literary, educational, scientific, religious, benevolent or charitable purposes, including property used exclusively for such purposes by more than one agency or organization for one or more of such exempt purposes. Except with regard to real property which that is owned by a religious organization, is to be used exclusively for religious purposes and is not used for a nonexempt purpose prior to its exclusive use for religious purposes which property shall be deemed to be actually and regularly used exclusively for religious purposes for the purposes of this paragraph, this exemption shall not apply to such property, not actually used or occupied for the purposes set forth herein, nor to such property held or used as an investment even though the income or rentals received therefrom is used wholly for such literary, educational, scientific, religious, benevolent or charitable purposes. In the event any such property—which that has been exempted pursuant to the preceding sentence is not used for religious purposes prior to its conveyance—which that results in its use for nonreligious purposes, there shall be a recoupment of property taxes in an amount equal to the tax—which that would have been levied upon such property except for such exemption for all taxable years for which such exemption was in effect. Such recoupment tax shall become due and payable in such year as provided by K.S.A. 79-2004, and amendments thereto. A lien for such taxes shall attach to the real property subject to the same on November 1 in the year such taxes become due and all such taxes remaining due and unpaid after the date prescribed for the payment thereof shall be collected in the manner provided by law for the collection of delinquent taxes. Moneys collected from the recoupment tax hereunder shall be credited by the county treasurer to the several taxing subdivisions within which such real property is located in the proportion that the total tangible property tax levies made in the preceding year for each such taxing subdivision bear to the total of all such levies made in that year by all such taxing subdivisions. Such moneys shall be credited to the general fund of the taxing subdivision or if such taxing subdivision is making no property tax levy for the support of a general fund such moneys may be credited to any other tangible property tax fund of general application of such subdivision. This exemption shall not be deemed inapplicable to property—which that would otherwise be exempt pursuant to this paragraph because an agency or organization: (a) Is reimbursed for the provision of services accomplishing the purposes enumerated in this paragraph based upon the ability to pay by the recipient of such services; or (b) is reimbursed for the actual expense of using such property for purposes enumerated in this paragraph; or (c) uses such property for a nonexempt purpose—which that is minimal in scope and insubstantial in nature if such use is incidental to the exempt purposes of this paragraph; or (d) charges a reasonable fee for admission to cultural or educational
activities or permits the use of its property for such activities by a related agency or organization, if any such activity is in furtherance of the purposes of this paragraph; or (e) is applying for an exemption pursuant to this paragraph for a motor vehicle that is being leased for a period of at least one year.

Third. All moneys and credits belonging exclusively to universities, colleges, academies or other public schools of any kind, or to religious, literary, scientific or benevolent and charitable institutions or associations, appropriated solely to sustain such institutions or associations, not exceeding in amount or in income arising therefrom the limit prescribed by the charter of such institution or association.

Fourth. The reserve or emergency funds of fraternal benefit societies authorized to do business under the laws of the state of Kansas.

Fifth. All buildings of private nonprofit universities or colleges which are owned and operated by such universities and colleges as student union buildings, presidents' homes and student dormitories.

Sixth. All real and tangible personal property actually and regularly used exclusively by the alumni association associated by its articles of incorporation with any public or nonprofit Kansas college or university approved by the Kansas board of regents to confer academic degrees or with any community college approved by its board of trustees to grant certificates of completion of courses or curriculum, to provide accommodations and services to such college or university or to the alumni, staff or faculty thereof.

Seventh. All parsonages owned by a church society and actually and regularly occupied and used predominantly as a residence by a minister or other clergyman of such church society who is actually and regularly engaged in conducting the services and religious ministrations of such society, and the land upon which such parsonage is located to the extent necessary for the accommodation of such parsonage.

Eighth. All real property, all buildings located on such property and all personal property contained therein, actually and regularly used exclusively by any individually chartered organization of honorably discharged military veterans of the United States armed forces or auxiliary of any such organization which is exempt from federal income taxation pursuant to section 501(c)(19) of the federal internal revenue code of 1986, for clubhouse, place of meeting or memorial hall purposes, and real property to the extent of not more than two acres, and all buildings located on such property, actually and regularly used exclusively by any such veterans' organization or its auxiliary as a memorial park.

Ninth. For all taxable years commencing after December 31, 2018, all real property and tangible personal property actually and regularly used by a community service organization for the predominant purpose of
providing humanitarian services, which *that* is owned and operated by a
corporation organized not for profit *not-for-profit organization organized*
under the laws of the state of Kansas or by a corporation organized not for
profit under the laws of another state and duly admitted to engage in
business in this state as a foreign *not-for-profit corporation organization*
if:
(a) The officers, directors *and members* of such *corporation organization*
serve without pay for such services; (b) the *corporation organization* is
operated in a manner—*which that* does not result in the accrual of
distributable profits, realization of private gain resulting from the payment
of compensation in excess of a reasonable allowance for salary or other
compensation for services rendered or the realization of any other form of
private gain; (c) no officer, director or member of such *corporation organization* has any pecuniary interest in the property for which
exemption is claimed; (d) the *corporation organization* is organized for the
purpose of providing humanitarian services; (e) the actual use of property
for which an exemption is claimed must be substantially and
predominantly related to the purpose of providing humanitarian services,
except that, the use of such property for a nonexempt purpose—*which that*
is minimal in scope and insubstantial in nature shall not result in the loss
of exemption if such use is incidental to the purpose of providing
humanitarian services by the *corporation organization*; (f) the *corporation organization* is exempt from federal income taxation pursuant to section
501(c)(3) of the internal revenue code of 1986; and (g) contributions to the
*corporation organization* are deductible under the Kansas income tax act.

As used in this clause, "humanitarian services" means the conduct of
activities—*which that* substantially and predominantly meet a demonstrated
community need and—*which that* improve the physical, mental, social,
cultural or spiritual welfare of others or the relief, comfort or assistance of
persons in distress or any combination thereof including, but not limited
to, health and recreation services, child care, individual and family
counseling, employment and training programs for handicapped persons
and meals or feeding programs. Notwithstanding any other provision of
this clause, motor vehicles shall not be exempt hereunder, unless such
vehicles are exclusively used for the purposes described therein, except
that the use of any such vehicle for the purpose of participating in a
coordinated transit district in accordance with the provisions of K.S.A. 75-
5032 through 75-5037, and amendments thereto, or K.S.A. 75-5051
through 75-5058, and amendments thereto, shall be deemed as exclusive
use.

Tenth. For all taxable years commencing after December 31, 1986, any
building, and the land upon which such building is located to the extent
necessary for the accommodation of such building, owned by a church or
nonprofit religious society or order—*which that* is exempt from federal
income taxation pursuant to section 501(c)(3) of the federal internal
revenue code of 1986, and actually and regularly occupied and used
exclusively for residential and religious purposes by a community of
persons who are bound by vows to a religious life and who conduct or
assist in the conduct of religious services and actually and regularly
engage in religious, benevolent, charitable or educational ministrations or
the performance of health care services.

Eleventh. For all taxable years commencing after December 31, 1998,
all property actually and regularly used predominantly to produce and
generate electricity utilizing renewable energy resources or technologies
when the applicant for such property, on or before December 31, 2016, has
filed an application for exemption pursuant to this subsection or has
received a conditional use permit to produce and generate electricity on the
property from the county in which the property is located. Any exemption
granted under the provisions of this subsection for such property when the
applicant, after December 31, 2016, has filed such application or filed such
application and received a conditional use permit, shall be in effect for the
10 taxable years immediately following the taxable year in which
construction or installation of such property is completed. For purposes of
this section, "renewable energy resources or technologies" shall include
wind, solar, photovoltaic, biomass, hydropower, geothermal and landfill
gas resources or technologies.

Twelfth. For all taxable years commencing after December 31, 2001, all
personal property actually and regularly used predominantly to collect,
refine or treat landfill gas or to transport landfill gas from a landfill to a
transmission pipeline, and the landfill gas produced therefrom.
The provisions of this section, except as otherwise more specifically
provided, shall apply to all taxable years commencing after December 31,
2009.

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

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