

## **Property Tax—Various Provisions; Senate Sub. for HB 2313**

**Senate Sub. for HB 2313** provides for property tax reimbursements in the event of shutdowns or restrictions due to disaster emergency declarations, extends the 20-mill statewide school finance levy, expands the motor vehicle property tax exemption for National Guard members, modifies *pro tempore* membership provisions for the State Board of Tax Appeals (BOTA), and requires the Legislative Division of Post Audit to study the impact of governmental and nonprofit organizations competing with for-profit businesses.

### ***Disaster Emergency Declarations Property Tax Reimbursements***

Beginning January 1, 2022, the bill provides for reimbursements from the county general fund to the owner of any building maintaining a business on the property that is shut down or limited in any capacity pursuant to a declared disaster emergency. The reimbursement is to be 1/365 of the amount of taxes levied for every day the business is shut down and 1/365 the amount of taxes levied multiplied by the percentage restricted for every day the business is required to restrict operations. “Restricted” means any occupancy limitation, limitation on periods of operation, or the exertion by any governmental entity of other significant control on business resources or functionality.

If the State or any political subdivision of the State, other than the county, issued the order shutting down or restricting the business, such governmental entity is required to reimburse the county for the cost of the reimbursement.

If the business on the property is not operated by the owner of the property, the property owner and the business operator are each entitled to 50 percent of the reimbursement. The business operator is permitted to assign the operator’s share to the property owner as credit against any delinquent rent owed to the property owner.

### ***Statewide School Finance Tax Levy***

The bill re-authorizes the 20-mill property tax levy for school years 2021-2022 and 2022-2023.

The bill continues the exemption of residential property up to \$20,000 of its appraised valuation from the 20-mill property tax levy for taxable years 2021 and 2022.

### ***National Guard Motor Vehicle Property Tax Exemption***

The bill extends a vehicle property tax exemption for up to two motor vehicles to all current members in good standing of the Kansas Army National Guard, Kansas Air National Guard, or U.S. military reserve forces stationed in Kansas, beginning in tax year 2022. Under the law, members of the Kansas Army National Guard, Kansas Air National Guard, or Kansas reserve forces of the U.S. military receive the exemption only when stationed or assigned in Kansas under authority of Title 10 or 32 of the U.S. Code.

### ***Board of Tax Appeals Pro Tempore Membership***

The bill provides a *pro tempore* member of BOTA may be appointed when there is any vacancy on the Board, rather than two vacancies prior to the appointment of a *pro tempore* member.

### ***Legislative Division of Post Audit Study***

The bill requires the Legislative Post Audit Committee to direct the Legislative Division of Post Audit to conduct a study of the impact of nonprofit organizations and governmental entities competing against for-profit businesses during calendar year 2021 and submit a final study report to the Legislature on or before January 15, 2022.