

SESSION OF 2021

SUPPLEMENTAL NOTE ON SENATE BILL NO. 23

As Recommended by Senate Committee on
Assessment and Taxation

Brief*

SB 23 would expand the authority of county commissions to selectively abate property taxes on property destroyed or substantially destroyed by natural disasters.

The bill would broaden the authority, which currently applies only to homesteads, to include any building or improvement listed and assessed for property taxation.

The bill would also provide that applications for such abatements for tax years 2016 to 2019 may be made on or before December 20, 2021.

The bill would be in effect upon publication in the *Kansas Register*.

Background

The bill was introduced by the Senate Committee on Assessment and Taxation at the request of former Senator Kevin Braun.

Senate Committee on Assessment and Taxation

In the Senate Committee hearing, former Senator Braun, Representative Tim Johnson, a representative of the Leavenworth County Board of County Commissioners, and a

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

private citizen testified as **proponents** of the bill, stating a 2019 tornado had destroyed numerous buildings in Leavenworth County, and this bill would provide property tax relief to those affected by the tornado. Written-only proponent testimony was provided by representatives of the Kansas Farm Bureau, the Kansas Grain and Feed Association, the Kansas Livestock Association, and the Kansas Soybean Association.

A representative of the League of Kansas Municipalities provided neutral testimony on the bill.

A representative of the City of Junction City testified as an **opponent** of the bill, stating it would have the potential to limit the financial resources of cities at a time when they are needed.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget, the Department of Revenue indicates enactment of the bill has the potential to reduce property tax revenues by an indeterminate amount, and the League of Kansas Municipalities and the Kansas Association of Counties indicate enactment of the bill has the potential to significantly reduce property tax revenues in communities that are affected by a natural disaster. Any fiscal effect associated with the bill is not reflected in *The FY 2022 Governor's Budget Report*.

Taxation; property tax; tax abatement; disaster destroyed property