

SENATE BILL No. 421

By Committee on Assessment and Taxation

2-10

1 AN ACT concerning ~~personal~~ property taxation; relating to motor
2 vehicles;~~;~~ computation of amount of tax; *{local ad valorem tax*
3 *reduction fund, distribution;}* amending K.S.A. 79-5105 and *{K.S.A.*
4 *2011 Supp. 79-2959 and}* repealing the existing ~~section~~ *{sections}*.

5
6 *Be it enacted by the Legislature of the State of Kansas:*

7 *{Section 1. K.S.A. 2011 Supp. 79-2959 is hereby amended to read as*
8 *follows: 79-2959. (a) There is hereby created the local ad valorem tax*
9 *reduction fund. All moneys transferred or credited to such fund under*
10 *the provisions of this act or any other law shall be apportioned and*
11 *distributed in the manner provided herein.*

12 *(b) On January 15 and on July 15 of each year, the director of*
13 *accounts and reports shall make transfers in equal amounts which in*
14 *the aggregate equal 3.63% of the total retail sales and compensating*
15 *taxes credited to the state general fund pursuant to articles 36 and 37 of*
16 *chapter 79 of Kansas Statutes Annotated, and ~~acts amendatory thereof~~*
17 *and ~~supplemental~~ amendments thereto, during the preceding calendar*
18 *year from the state general fund to the local ad valorem tax reduction*
19 *fund, except that: (1) No moneys shall be transferred from the state*
20 *general fund to the local ad valorem tax reduction fund during state*
21 *fiscal years 2009, 2010, 2011, and 2012, and 2013, and (2) the amount of*
22 *the transfer on each such date shall be ~~\$13,500,000~~ \$3,500,000 during*
23 *fiscal year 2013, \$10,000,000 during fiscal year 2014, ~~\$20,250,000~~*
24 *\$15,000,000 during fiscal year 2015, and ~~\$27,000,000~~ \$25,000,000*
25 *during fiscal year 2016 and all fiscal years thereafter. All such transfers*
26 *are subject to reduction under K.S.A. 75-6704, and amendments thereto.*
27 *All transfers made in accordance with the provisions of this section shall*
28 *be considered to be demand transfers from the state general fund, except*
29 *that all such transfers during fiscal year 2014 shall be considered to be*
30 *revenue transfers from the state general fund.*

31 *(c) The state treasurer shall apportion and pay the amounts*
32 *transferred under subsection (b) to the several county treasurers on*
33 *January 15 and on July 15 in each year as follows: (1) Sixty-five percent*
34 *of the amount to be distributed shall be apportioned on the basis of the*

1 *population figures of the counties certified to the secretary of state*
 2 *pursuant to K.S.A. 11-201, and amendments thereto, on July 1 of the*
 3 *preceding year; and (2) thirty-five percent of such amount shall be*
 4 *apportioned on the basis of the equalized assessed tangible valuations on*
 5 *the tax rolls of the counties on November 1 of the preceding year as*
 6 *certified by the director of property valuation.*}

7 Section ~~1.~~ *{Sec. 2.}* K.S.A. 79-5105 is hereby amended to read as
 8 follows: 79-5105. (a) ***(1) Except as provided in subsection (a)(2), a*** tax is
 9 hereby levied upon every motor vehicle, as the same is defined by K.S.A.
 10 79-5101, and amendments thereto, in an amount which shall be
 11 determined in the manner hereinafter prescribed, except that: ~~(+) (A)(i)~~ For
 12 ~~1995 2012~~**1995**, the tax on any motorcycle shall not be less than \$6 and
 13 the tax on any other motor vehicle shall not be less than \$12; and ~~(B)(ii)~~
 14 the tax on each motor vehicle the age of which is 15 years or older shall
 15 not be more than \$12; and ~~(2)(B)~~ for ~~1996 2013~~**1996**, and each year
 16 thereafter: ~~(A)(i)~~ The tax on any motorcycle shall not be less than ~~\$12~~
 17 ~~\$18~~**\$12** and the tax on any other motor vehicle shall not be less than
 18 ~~\$24~~~~\$36~~**\$24**, except as otherwise provided by ~~clause subsections (a)(1)(B)~~
 19 ~~and (a)(1)(C); (B)(a)(1)(B)(ii) and (a)(1)(B)(iii); (ii)~~ the tax on any
 20 motorcycle the model year of which is ~~1980 1997~~**1980** or earlier shall be
 21 \$6 and the tax on any other motor vehicle the model year of which is
 22 ~~1980 1997~~**1980** or earlier shall be \$12; and ~~(C)(iii)~~ if the tax on any
 23 motorcycle in ~~1995 2012~~**1995** was more than \$6 but less than \$12, the tax
 24 shall be determined for ~~1996 2013~~**1996** and each year thereafter in the
 25 manner hereinafter prescribed but shall not be less than \$6, and if the tax
 26 on any other motor vehicle in ~~1995 2012~~**1995** was more than \$12 but less
 27 than \$24, the tax shall be determined for ~~1996 2013~~**1996** and each year
 28 thereafter in the manner hereinafter prescribed but shall not be less than
 29 \$12

30 ***(2) Commencing in 2013, and each year thereafter, the tax on any***
 31 ***motorcycle shall not be less than \$18 and the tax on any other motor***
 32 ***vehicle shall not be less than \$36, unless in 2012 such tax was already***
 33 ***less than such minimum tax, and in any such case the provisions of***
 34 ***subsection (a)(1) shall remain applicable to any such motorcycle or***
 35 ***other motor vehicle.***

36 (b) The amount of such tax on a motor vehicle shall be computed by:
 37 (1) By determining the amount representing the midpoint of the values
 38 included within the class in which such motor vehicle is classified under
 39 K.S.A. 79-5102 or 79-5103, and amendments thereto, except that the
 40 midpoint of class 20 shall be \$21,000 plus \$2,000 for each \$2,000 or
 41 portion thereof by which the trade-in value of the vehicle exceeds \$22,000;
 42 (2) if the model year of the motor vehicle is a year other than the year for
 43 which the tax is levied, by reducing such midpoint amount by an amount

1 equal to 16% in 1995, and all years prior thereto, and 15% in 19962012,
2 and all years thereafter, ~~and for vehicles first registered and commencing~~
3 ~~in 2013 and each year thereafter, and 15% for the first five three~~ **years of**
4 **a vehicle, 12% for years six four through 10 six, and 10% for all years**
5 **thereafter,** of the remaining balance for each year of difference between
6 the model year of the motor vehicle and the year for which the tax is levied
7 if the model year of the motor vehicle is 19811998 or a later year; or (B)
8 the remaining balance for each year of difference between the year
9 19801997 and the year for which the tax is levied if the model year of the
10 motor vehicle is 19801997 or any year prior thereto; (3) by multiplying the
11 amount determined after application of ~~clause subsection (b)(2) above~~
12 30% during calendar year 1995, 28.5% during the calendar year 1996,
13 26.5% during the calendar year 1997, 24.5% during the calendar year
14 1998, 22.5% during the calendar year 1999, and 20% during calendar year
15 2012, 18% during calendar year 2013, 16% during calendar year 2014,
16 14% during calendar year 2015 and 12% during calendar year 2016, and
17 all calendar years thereafter, which shall constitute the taxable value of the
18 motor vehicle; and (4) by multiplying the taxable value of the motor
19 vehicle produced under ~~clause subsection (b)(3) above~~ by the county
20 average tax rate.

21 (c) The "county average tax rate" means the total amount of general
22 property taxes levied within the county by the state, county and all other
23 taxing subdivisions levying such taxes within such county in the second
24 calendar year before the calendar year in which the owner's full
25 registration year begins divided by the total assessed tangible valuation of
26 property within such county as of November 1 of such second calendar
27 year before the calendar year in which the owner's full registration year
28 begins as certified by the secretary of revenue, except that: (1) ~~As of~~
29 ~~November 1, 1994, such rate shall be computed without regard to 11.429%~~
30 ~~of the general property taxes levied by school districts pursuant to K.S.A.~~
31 ~~72-6431, and amendments thereto; (2) as of November 1, 1995, such rate~~
32 ~~shall be computed without regard to 31.429% of the general property taxes~~
33 ~~levied by school districts pursuant to K.S.A. 72-6431, and amendments~~
34 ~~thereto; (3) as of November 1, 1996, such rate shall be computed without~~
35 ~~regard to 54.286% of the general property taxes levied by school districts~~
36 ~~pursuant to K.S.A. 72-6431, and amendments thereto; (4) as of November~~
37 ~~1, 1997, such rate shall be computed without regard to 70.36% of the~~
38 ~~general property taxes levied by school districts pursuant to K.S.A. 72-~~
39 ~~6431, and amendments thereto; and (5) as of November 1, 1998, and such~~
40 ~~date in all years thereafter, such rate shall be computed without regard to~~
41 ~~the general property taxes levied by school districts pursuant to K.S.A. 72-~~
42 ~~6431, and amendments thereto As of November 1, 2011, such rate shall be~~
43 ~~computed without regard to the general property taxes levied by school~~

1 *districts pursuant to K.S.A. 72-6431, and amendments thereto; (2) as of*
2 *November 1, 2012, such rate shall be computed with regard to 25% of the*
3 *general property taxes levied by school districts pursuant to K.S.A. 72-*
4 *6431, and amendments thereto; (3) as of November 1, 2013, such rate*
5 *shall be computed with regard to 50% of the general property taxes levied*
6 *by school districts pursuant to K.S.A. 72-6431, and amendments thereto;*
7 *(4) as of November 1, 2014, such rate shall be computed with regard to*
8 *75% of the general property taxes levied by school districts pursuant to*
9 *K.S.A. 72-6431, and amendments thereto; and (5) as of November 1, 2015,*
10 *such rate shall be computed with regard to all of the general property*
11 *taxes levied by school districts pursuant to K.S.A. 72-6431, and*
12 *amendments thereto.*

13 ~~Sec. 2.~~ ~~{3.}~~ K.S.A. 79-5105 is ~~{and K.S.A. 2011 Supp. 79-2959 are}~~
14 hereby repealed.

15 ~~Sec. 3.~~ ~~{4.}~~ This act shall take effect and be in force from and after its
16 publication in the statute book.