

SESSION OF 2011

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 59**

As Amended by Senate Committee on  
Assessment and Taxation

**Brief\***

SB 59, as amended, would make several changes in statutes relating to the interest rate charged for delinquent property taxes and the interest rate paid relative to overpayments attributable to certain clerical errors.

The interest rate charged for delinquent or underpaid property taxes of \$10,000 or more would be increased, effective January 1, 2012, from the current federally established rate plus one percent utilized under current law to the greater of such rate or 10 percent.

The interest rate required to be paid relative to property tax overpayments associated with certain clerical errors as defined in KSA 2010 Supp. 79-1701a would be increased from the current federally established rate to such rate plus two percent, effective July 1, 2011.

**Background**

The original bill, which dealt only with the interest rate for delinquent property taxes, was requested for introduction and supported by the City of Topeka, whose representative noted that the current interest rate charged for delinquencies under the statutory formula is 7 percent. Other proponents included the Unified Government of Wyandotte County and Kansas City, Kansas; and the League of Kansas Municipalities.

---

\*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>

The Senate Committee amended the bill to make a technical change to clarify that the legislation would apply only to property taxes; to limit the change in the property tax delinquent interest rate to only those circumstances when the amount of tax in question is \$10,000 or more; and to include the additional 2 percent annual interest rate on certain overpayments associated with clerical errors.

A fiscal note on the Senate Committee version of the bill was not immediately available.