

House Concurrent Resolution No. 5024

By Representatives Peck, Anthimides, Bradford, Christmann, Edwards, Garber,
Goico, Osterman, Powell, Rothlisberg, Sutton and Thompson

1-22

1 A PROPOSITION to amend section 1 of article 11 of the constitution of
2 the state of Kansas, relating to property taxation.

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4 *Be it resolved by the Legislature of the State of Kansas, two-thirds of the*
5 *members elected (or appointed) and qualified to the House of*
6 *Representatives and two-thirds of the members elected (or appointed)*
7 *and qualified to the Senate concurring therein:*

8 Section 1. The following proposition to amend the constitution of
9 the state of Kansas shall be submitted to the qualified electors of the state
10 for their approval or rejection: Section 1 of article 11 of the constitution
11 of the state of Kansas is hereby amended to read as follows:

12 "**§ 1. System of taxation; classification; exemption.** (a) The
13 provisions of this subsection shall govern the assessment and
14 taxation of property on and after January 1, ~~2013~~ 2015, and each
15 year thereafter. Except as otherwise hereinafter specifically
16 provided, the legislature shall provide for a uniform and equal
17 basis of valuation and rate of taxation of all property subject to
18 taxation. *The legislature may provide by law to limit property tax*
19 *increases on single-family residential real property which is owned*
20 *by and the principal place of residence of a Kansas resident who is*
21 *65 years of age or older as of January 1 of the tax year; and the*
22 *legislature may enact legislation to limit application of this*
23 *provision and enact such other legislation as is necessary to*
24 *administer this provision.* The legislature may provide for the
25 classification and the taxation uniformly as to class of recreational
26 vehicles and watercraft, as defined by the legislature, or may
27 exempt such class from property taxation and impose taxes upon
28 another basis in lieu thereof. The provisions of this subsection
29 shall not be applicable to the taxation of motor vehicles, except as
30 otherwise hereinafter specifically provided, mineral products,
31 money, mortgages, notes and other evidence of debt and grain.
32 Property shall be classified into the following classes for the
33 purpose of assessment and assessed at the percentage of value
34 prescribed therefor:

35 Class 1 shall consist of real property. Real property shall be

1 further classified into seven subclasses. Such property shall be
2 defined by law for the purpose of subclassification and assessed
3 uniformly as to subclass at the following percentages of value:

- 4 (1) Real property used for residential
5 purposes including multi-family
6 residential real property and real
7 property necessary to accommodate a
8 residential community of mobile or
9 manufactured homes including the
10 real property upon which such homes
11 are located..... 11½%
- 12 (2) Land devoted to agricultural use
13 which shall be valued upon the basis
14 of its agricultural income or
15 agricultural productivity pursuant to
16 section 12 of article 11 of the
17 constitution..... 30%
- 18 (3) Vacant lots..... 12%
- 19 (4) Real property which is owned and
20 operated by a not-for-profit
21 organization not subject to federal
22 income taxation pursuant to section
23 501 of the federal internal revenue
24 code, and which is included in this
25 subclass by law..... 12%
- 26 (5) Public utility real property, except
27 railroad real property which shall be
28 assessed at the average rate that all
29 other commercial and industrial
30 property is assessed..... 33%
- 31 (6) Real property used for commercial
32 and industrial purposes and buildings
33 and other improvements located upon
34 land devoted to agricultural use... 25%
- 35 (7) All other urban and rural real
36 property not otherwise specifically
37 subclassified..... 30%

38 Class 2 shall consist of tangible personal property. Such
39 tangible personal property shall be further classified into six
40 subclasses, shall be defined by law for the purpose of
41 subclassification and assessed uniformly as to subclass at the
42 following percentages of value:

- 43 (1) Mobile homes used for residential

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- purposes..... 11½%
- (2) Mineral leasehold interests except oil leasehold interests the average daily production from which is five barrels or less, and natural gas leasehold interests the average daily production from which is 100 mcf or less, which shall be assessed at 25%.... 30%
- (3) Public utility tangible personal property including inventories thereof, except railroad personal property including inventories thereof, which shall be assessed at the average rate all other commercial and industrial property is assessed..... 33%
- (4) All categories of motor vehicles not defined and specifically valued and taxed pursuant to law enacted prior to January 1, 1985..... 30%
- (5) Commercial and industrial machinery and equipment which, if its economic life is seven years or more, shall be valued at its retail cost when new less seven-year straight-line depreciation, or which, if its economic life is less than seven years, shall be valued at its retail cost when new less straight-line depreciation over its economic life, except that, the value so obtained for such property, notwithstanding its economic life and as long as such property is being used, shall not be less than 20% of the retail cost when new of such property. . 25%
- (6) All other tangible personal property not otherwise specifically classified..... 30%

(b) All property used exclusively for state, county, municipal, literary, educational, scientific, religious, benevolent and charitable purposes, farm machinery and equipment, merchants' and manufacturers' inventories, other than public utility inventories included in subclass (3) of class 2, livestock, and all household

1 goods and personal effects not used for the production of income,
2 shall be exempted from property taxation."

3 Sec. 2. The following statement shall be printed on the ballot with
4 the amendment as a whole:

5 "*Explanatory statement.* This amendment would authorize the
6 legislature to limit property tax increases of single-family
7 residential real property which is owned by and the principal
8 place of residence of a Kansas resident who is 65 years of
9 age or older in certain circumstances.

10 "A vote for this proposition would authorize the legislature to
11 limit property tax increases of single-family residential real
12 property which is owned by and the principal place of
13 residence of a Kansas resident who is 65 years of age or
14 older. The amendment would also allow the
15 legislature to enact legislation to limit application of this
16 provision and enact other legislation as necessary to
17 administer this provision.

18 "A vote against this proposition would maintain the current
19 system of property taxation which provides no such
20 authorization to limit such property tax increases."

21 Sec. 3. This resolution, if approved by two-thirds of the members
22 elected (or appointed) and qualified to the House of Representatives, and
23 two-thirds of the members elected (or appointed) and qualified to the
24 Senate shall be entered on the journals, together with the yeas and nays.
25 The secretary of state shall cause this resolution to be published as
26 provided by law and shall cause the proposed amendment to be submitted
27 to the electors of the state at the general election to be held on the first
28 Tuesday after the first Monday in November, 2014, unless a special
29 election is called at a sooner date by concurrent resolution of the
30 legislature, in which case it shall be submitted to the electors of the state
31 at the special election.