



**Kansas Grain & Feed Association (KGFA)**  
**Kansas Agribusiness Retailers Association (KARA)**  
**Renew Kansas**

March 8, 2016

To: House Committee on Taxation  
From: Randy Stookey, Vice President & General Counsel  
Kansas Grain and Feed Association / Renew Kansas Association  
Kansas Agribusiness Retailers Association

**RE: Testimony in Support of HB 2714, concerning property taxation, valuation, appeals, procedure; state board of tax appeals, filing fees, procedure, appeals to district court.**

Chairman Kleeb and members of the House Committee on Taxation. Thank you for the opportunity to comment today in support of HB 2714. This testimony is being jointly submitted on behalf of the Kansas Grain and Feed Association, the Renew Kansas Association, and the Kansas Agribusiness Retailers Association.

KGFA is a voluntary state association with a membership encompassing the entire spectrum of the grain receiving, storage, processing and shipping industry in the state of Kansas. KGFA's membership includes over 950 Kansas business locations and represents 97% of the commercially licensed grain storage in the state. Renew Kansas is a voluntary trade association representing the fuel ethanol processing, storage, and transportation industry in Kansas. KARA is a voluntary trade association whose membership includes over 700 agribusiness firms that are primarily retail facilities supplying fertilizers, crop protection chemicals, and seed to Kansas farmers.

HB 2714 makes many productive and necessary changes to the law governing property valuation for ad valorem tax purposes, and to the process for appealing an initial valuation. Our agribusiness members conduct business, employ thousands of workers, and contribute to the economic vitality of local municipalities all across the state.

In many counties, our members maintain some of the largest commercial and industrial structures for property tax purposes. Taxes assessed against our members' properties assist with funding all levels of local government. Recently, many of our members have reported significant increases in property tax valuations. Thus, this bill is of interest to our associations and members.

HB 2714 ensures that the process for assessing property taxes, and the right to a fair hearing by the administrative board is maintained. Additionally, this bill clarifies or strengthens the appellate

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rights of an aggrieved property owner following the initial decision by the administrative board in a property valuation matter.

Specifically, we support the following provisions of HB 2714:

- the right of a property owner to appeal to the administrative decision to the district court and request a de novo trial on the facts;
- the requirement for a county appraiser to follow valuation methodologies adopted by the director of property valuation;
- the requirement for the county appraiser to provide the taxpayer with a written summary of the reasons for any increase in valuation of the property and any assumptions used, prior to the informal meeting;
- the provision setting forth presumptive evidence for agricultural use classification; and,
- the provision requiring the county appraiser to limit reclassification of agricultural land within a parcel to non-agricultural land to only that acreage that is not used for agricultural purposes.

As this bill brings clarity to the property tax valuation and appellate process for our members, and furthers the public policy of ensuring fairness in the assessment of property taxes, we fully support the intent of HB 2714, and feel this legislation is appropriate and beneficial for Kansas tax policy. We would respectfully request that the committee pass this bill out favorably, without amendment.

Thank you for allowing us the opportunity to testify in support of HB 2714.

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