AN ACT concerning property taxation; relating to classification and
taxation of certain oil and gas equipment and materials; amending
K.S.A. 79-329 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 79-329 is hereby amended to read as follows: 79-
329. For the purpose of valuation and taxation, certain oil and gas
property, certain equipment and material used in operating oil and gas
wells and certain equipment and material temporarily used at an oil or
gas well site, shall be treated as follows:

(a) All oil and gas leases and all oil and gas wells, producing or
capable of producing oil or gas in paying quantities, together with all
casing, tubing or other material therein, and all other equipment and
material used in operating the oil or gas wells are hereby declared to be
personal property and shall be assessed and taxed as such the mineral
leasehold estate pursuant to subclass 2 of class 2 of subsection (a) of
section 1 of article 11 of the constitution of the state of Kansas.

(b) Equipment and material used at an oil or gas well site: (1) On a
temporary basis; (2) not attached to the real property; and (3) used in
servicing, testing, acidizing or fracking, casing installation, pulling or
resetting, cementing or setting, fishing, packing, jetting, perforating or
logging the oil or gas well shall not be considered equipment and material
used in operating the oil or gas well pursuant to subsection (a), and are
hereby declared to be personal property and shall be assessed and taxed
as commercial machinery and equipment pursuant to subclass 5 of class 2
of subsection (a) of section 1 of article 11 of the constitution of the state of
Kansas.

Sec. 2. K.S.A. 79-329 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its
publication in the statute book.