

**SENATE BILL No. 294**

By Senators Tyson, Alley, Braun, Estes, Goddard, Hilderbrand, Kerschen,  
Longbine, Lynn, Masterson, Olson, Petersen, Thompson, Wagle and Wilborn

1-22

1 AN ACT concerning property taxation; relating to tax rates; truth in  
2 taxation; establishing notice and public hearing requirements prior to  
3 approval to exceed certified tax rate.

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

6 Section 1. (a) On or before July 1 each year, the governing body of  
7 each taxing subdivision or taxing district shall calculate its certified tax  
8 rate. The certified tax rate is the tax rate for the current year that would  
9 generate the same property tax revenue as levied the previous year using  
10 the current year's total assessed valuation. The purpose of the certified tax  
11 rate is to promote truth in taxation. To calculate the certified tax rate, each  
12 governing body shall divide the property tax revenue for such taxing  
13 subdivision or taxing district levied for the previous year by the total of all  
14 taxable assessed valuations in such taxing subdivision or taxing district  
15 provided by the county clerk pursuant to K.S.A. 79-5a27, and amendments  
16 thereto, for the current year, and then multiply the quotient by 1,000 to  
17 express the rate in mills. The certified tax rate shall be expressed to the  
18 third decimal place.

19 (b) On or before July 1 each year, the governing body of each taxing  
20 subdivision or taxing district shall submit its calculated certified tax rate  
21 and supporting documentation to the director of accounts and reports on  
22 forms approved by the director of accounts and reports. The director of  
23 accounts and reports shall review the calculated certified tax rate and  
24 supporting documentation for compliance and accuracy and notify the  
25 governing body of the results of such review before August 1 of each year.  
26 The director of accounts and reports shall make copies of submissions and  
27 notifications pursuant to subsections (b) and (c) available to the public on  
28 the website of the Kansas department of administration no later than  
29 September 1 each year.

30 (c) On or before August 1 each year, the governing body of each  
31 taxing subdivision or taxing district shall submit its certified tax rate to the  
32 director of accounts and reports and report its certified tax rate and the  
33 calculations used to compute the certified tax rate on its proposed budget  
34 forms prepared pursuant to K.S.A. 79-2927, and amendments thereto.

35 (d) No tax rate in excess of the certified tax rate shall be levied by the

1 governing body of any taxing subdivision or taxing district unless a  
2 resolution or ordinance has been approved by the governing body  
3 according to the following procedure:

4 (1) The governing body shall publish notice of its proposed intent to  
5 exceed the certified tax rate in the official county newspaper of the county  
6 where the taxing subdivision or taxing district is located and on the  
7 website of the governing body, if the governing body maintains a website,  
8 at least 10 days in advance of the public hearing.

9 (2) On or before August 1, the governing body shall notify the county  
10 clerk of its proposed intent to exceed the certified tax rate. The county  
11 clerk shall notify each taxpayer with property in the taxing subdivision or  
12 taxing district, by mail directed to the taxpayer's last known address, of the  
13 proposed intent to exceed the certified tax rate at least 10 days in advance  
14 of the public hearing. Alternatively, the county clerk may transmit the  
15 notice to the taxpayer by electronic means at least 10 days in advance of  
16 the public hearing, if such taxpayer and county clerk have consented in  
17 writing to service by electronic means. Costs associated with the notice  
18 shall be borne by the taxing subdivision or taxing district. The notice shall  
19 include, but not be limited to:

20 (A) The certified tax rate and calculations used to compute the  
21 certified tax rate;

22 (B) the proposed property tax revenue needed to fund the proposed  
23 budget;

24 (C) the proposed tax rate based upon the proposed budget and the  
25 current year's total assessed valuation;

26 (D) the tax rate and property tax of the taxing subdivision or taxing  
27 district on the taxpayer's property from the previous year's tax statement;

28 (E) the proposed percent change in the tax rate between the previous  
29 year's tax rate and the proposed tax rate for the current year;

30 (F) the appraised value and assessed value of the taxpayer's property  
31 for the current year;

32 (G) the estimates of the tax for the current tax year on the taxpayer's  
33 property based on the certified tax rate and the proposed tax rate; and

34 (H) the date, time and location of the public hearing.

35 (3) The public hearing to consider exceeding the certified tax rate  
36 shall be held on or before September 15. The governing body shall provide  
37 interested taxpayers desiring to be heard an opportunity to present oral  
38 testimony within reasonable time limits and without unreasonable  
39 restriction on the number of individuals allowed to make public comment.  
40 The public hearing shall not be scheduled at the same time as a public  
41 hearing of another taxing subdivision or taxing district in the county  
42 scheduled for purposes of this section. The public hearing may be  
43 conducted in conjunction with the proposed budget hearing pursuant to

1 K.S.A. 79-2929, and amendments thereto, if the governing body otherwise  
2 complies with all requirements of this section.

3 (4) A majority vote of the governing body, by the adoption of a  
4 resolution or ordinance to approve exceeding the certified tax rate, shall be  
5 required prior to adoption of a proposed budget that will result in a tax rate  
6 in excess of the certified tax rate. Such vote of the governing body shall be  
7 conducted at the public hearing after the governing body has heard from  
8 interested taxpayers.

9 (e) Any governing body subject to the provisions of this section that  
10 does not comply with subsection (d) shall refund to taxpayers any property  
11 taxes over-collected based on the amount of the levy that was in excess of  
12 the certified tax rate. The provisions of this subsection shall not be  
13 construed as prohibiting any other remedies available under the law.

14 (f) The provisions of subsection (d) shall not apply if the increased  
15 property tax revenue for the current year is the result of property tax levied  
16 pursuant to K.S.A. 72-5142, and amendments thereto.

17 (g) Notwithstanding the provisions of K.S.A. 79-1801, and  
18 amendments thereto, if the governing body of a taxing subdivision or  
19 taxing district must conduct a public hearing to approve exceeding the  
20 certified tax rate under this section, the governing body of the taxing  
21 subdivision or taxing district shall certify, on or before October 1, to the  
22 proper county clerk the amount of ad valorem tax to be levied.

23 (h) The provisions of this section shall not apply to any taxing  
24 subdivision or taxing district that receives \$5,000 or less in revenue from  
25 property taxes in the current year.

26 Sec. 2. This act shall take effect and be in force from and after its  
27 publication in the statute book.