

## HOUSE BILL No. 2574

By Committee on Taxation

2-7

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1 AN ACT concerning property taxation; relating to reclassification of  
2 certain tax exempted property.

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

5 Section 1. For all tax years commencing after December 31, 2010,  
6 property that has been constructed or purchased with the proceeds of any  
7 revenue bonds authorized by K.S.A. 12-1740 to 12-1749a, inclusive, and  
8 amendments thereto, and exempted from all property or ad valorem taxes  
9 pursuant to K.S.A. 79-201a, *Second*, and amendments thereto, which is  
10 returned to the taxable rolls of the county upon the expiration of such  
11 exemption, shall retain its classifications as real or personal as approved  
12 by the court of tax appeals at the time the exemption was granted. No such  
13 property shall be considered reclassified or reclassified after the expiration  
14 of such tax exemption period absent the approval of the court of tax  
15 appeals upon a hearing in a decision upheld upon appeal, if any, and:

- 16 (a) A material physical change to such property;  
17 (b) a material change in the use of such property; or  
18 (c) a substantial change in directly applicable law.

19 In any action taken by a county appraiser or taxpayer before the court  
20 of tax appeals to change the classification of such property, the party  
21 seeking a change in classification shall bear the burden of proof with  
22 regard to the issue of classification. The taxpayer shall be a party in any  
23 such action brought by a county appraiser.

24 Sec. 2. The court of tax appeals shall have the power and duty to hear  
25 a petition to change the classification of property as required by section 1,  
26 and amendments thereto, and may issue rules and regulations to implement  
27 the provisions of this act.

28 Sec. 3. This act shall take effect and be in force from and after its  
29 publication in the Kansas register.