

Senate Concurrent Resolution No. 1612

By Committee on Assessment and Taxation

2-8

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

3
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 Senate and two-*
6 *thirds of the members elected (or appointed) and qualified to the House*
7 *of Representatives concurring therein:*

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

13 **"§ 1. System of taxation; classification; exemption.** (a) The
14 provisions of this subsection shall govern the assessment and
15 taxation of property on and after January 1, 1993, and each year
16 thereafter. Except as otherwise hereinafter specifically provided,
17 the legislature shall provide for a uniform and equal basis of
18 valuation and rate of taxation of all property subject to taxation.
19 *The legislature may provide by law to limit valuation increases on*
20 *single-family residential real property which is owned by and the*
21 *principal place of residence of a Kansas resident who is 65 years*
22 *of age or older as of January 1 of the tax year, and the legislature*
23 *may enact legislation to limit application of this provision and*
24 *enact such other legislation as is necessary to administer this*
25 *provision.* The legislature may provide for the classification and the
26 taxation uniformly as to class of recreational vehicles, as defined
27 by the legislature, or may exempt such class from property taxation
28 and impose taxes upon another basis in lieu thereof. The
29 provisions of this subsection shall not be applicable to the taxation
30 of motor vehicles, except as otherwise hereinafter specifically
31 provided, mineral products, money, mortgages, notes and other
32 evidence of debt and grain. Property shall be classified into the
33 following classes for the purpose of assessment and assessed at the
34 percentage of value prescribed therefor:

35 Class 1 shall consist of real property. Real property shall be
36 further classified into seven subclasses. Such property shall be

- 1 defined by law for the purpose of subclassification and assessed
 2 uniformly as to subclass at the following percentages of value:
- 3 (1) Real property used for residential purposes including
 4 multi-family residential real property and real property necessary
 5 to accommodate a residential community of mobile or
 6 manufactured homes including the real property upon which such
 7 homes are located.....11½%
 - 8 (2) Land devoted to agricultural use which shall be valued
 9 upon the basis of its agricultural income or agricultural
 10 productivity pursuant to section 12 of article 11 of the constitution
 1130%
 - 12 (3) Vacant lots.....12%
 - 13 (4) Real property which is owned and operated by a not-for-
 14 profit organization not subject to federal income taxation pursuant
 15 to section 501 of the federal internal revenue code, and which is
 16 included in this subclass by law.....12%
 - 17 (5) Public utility real property, except railroad real property
 18 which shall be assessed at the average rate that all other
 19 commercial and industrial property is assessed.....33%
 - 20 (6) Real property used for commercial and industrial
 21 purposes and buildings and other improvements located upon land
 22 devoted to agricultural use.....25%
 - 23 (7) All other urban and rural real property not otherwise
 24 specifically subclassified.....30%
- 25 Class 2 shall consist of tangible personal property. Such
 26 tangible personal property shall be further classified into six
 27 subclasses, shall be defined by law for the purpose of
 28 subclassification and assessed uniformly as to subclass at the
 29 following percentages of value:
- 30 (1) Mobile homes used for residential purposes.....11½%
 - 31 (2) Mineral leasehold interests except oil leasehold interests
 32 the average daily production from which is five barrels or less, and
 33 natural gas leasehold interests the average daily production from
 34 which is 100 mcf or less, which shall be assessed at 25%.....30%
 - 35 (3) Public utility tangible personal property including
 36 inventories thereof, except railroad personal property including
 37 inventories thereof, which shall be assessed at the average rate all
 38 other commercial and industrial property is assessed.....33%
 - 39 (4) All categories of motor vehicles not defined and
 40 specifically valued and taxed pursuant to law enacted prior to
 41 January 1, 1985.....30%
 - 42 (5) Commercial and industrial machinery and equipment
 43 which, if its economic life is seven years or more, shall be valued

1 at its retail cost when new less seven-year straight-line
 2 depreciation, or which, if its economic life is less than seven years,
 3 shall be valued at its retail cost when new less straight-line
 4 depreciation over its economic life, except that, the value so
 5 obtained for such property, notwithstanding its economic life and
 6 as long as such property is being used, shall not be less than 20%
 7 of the retail cost when new of such property.....25%

8 (6) All other tangible personal property not otherwise
 9 specifically classified.....30%

10 (b) All property used exclusively for state, county, municipal,
 11 literary, educational, scientific, religious, benevolent and charitable
 12 purposes, farm machinery and equipment, merchants' and
 13 manufacturers' inventories, other than public utility inventories
 14 included in subclass (3) of class 2, livestock, and all household
 15 goods and personal effects not used for the production of income,
 16 shall be exempted from property taxation."

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

19 *"Explanatory statement.* This amendment would authorize the
 20 legislature to limit valuation increases of single-family
 21 residential real property which is owned by and the principal
 22 place of residence of a Kansas resident who is 65 years of age
 23 or older in certain circumstances.

24 "A vote for this proposition would authorize the legislature to limit
 25 valuation increases of single-family residential real property
 26 which is owned by and the principal place of residence of a
 27 Kansas resident who is 65 years of age or older. The
 28 amendment would also allow the legislature to enact legislation
 29 to limit application of this provision and enact other legislation
 30 as necessary to administer this provision.

31 "A vote against this proposition would maintain the current system
 32 of property taxation which provides no such authorization to
 33 limit such valuation increases."

34 Sec. 3. This resolution, if approved by two-thirds of the members
 35 elected (or appointed) and qualified to the Senate, and two-thirds of the
 36 members elected (or appointed) and qualified to the House of
 37 Representatives shall be entered on the journals, together with the yeas and
 38 nays. The secretary of state shall cause this resolution to be published as
 39 provided by law and shall cause the proposed amendment to be submitted
 40 to the electors of the state at the general election to be held on the first
 41 Tuesday after the first Monday in November, 2012 unless a special
 42 election is called at a sooner date by concurrent resolution of the
 43 legislature, in which case it shall be submitted to the electors of the state

1 at the special election.