

House Concurrent Resolution No. 5007

By Committee on Veterans, Military and Homeland Security

1-22

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

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

12 **"§ 1. System of taxation; classification; exemption.** (a) The
13 provisions of this subsection shall govern the assessment and
14 taxation of property on and after January 1, 2013, and each year
15 thereafter. Except as otherwise hereinafter specifically provided,
16 the legislature shall provide for a uniform and equal basis of
17 valuation and rate of taxation of all property subject to taxation.
18 *The legislature may provide by law to limit valuation increases on*
19 *single-family residential real property which is owned and*
20 *occupied as the principal place of residence of a Kansas resident*
21 *who has served in the armed forces of the United States or the*
22 *Kansas national guard and who is entitled to compensation for a*
23 *service-connected disability of 100% under the laws administered*
24 *by the veterans administration, and the legislature may enact*
25 *legislation to limit application of this provision and enact such*
26 *other legislation as is necessary to administer this provision.* The
27 legislature may provide for the classification and the taxation
28 uniformly as to class of recreational vehicles and watercraft, as
29 defined by the legislature, or may exempt such class from property
30 taxation and impose taxes upon another basis in lieu thereof. The
31 provisions of this subsection shall not be applicable to the taxation
32 of motor vehicles, except as otherwise hereinafter specifically
33 provided, mineral products, money, mortgages, notes and other
34 evidence of debt and grain. Property shall be classified into the
35 following classes for the purpose of assessment and assessed at the
36 percentage of value prescribed therefor:

1 Class 1 shall consist of real property. Real property shall be
2 further classified into seven subclasses. Such property shall be
3 defined by law for the purpose of subclassification and assessed
4 uniformly as to subclass at the following percentages of value:

- 5 (1) Real property used for residential purposes including
6 multi-family residential real property and real property
7 necessary to accommodate a residential community of mobile
8 or manufactured homes including the real property upon
9 which such homes are located..... 11½%
- 10 (2) Land devoted to agricultural use which shall be valued
11 upon the basis of its agricultural income or agricultural
12 productivity pursuant to section 12 of article 11 of the
13 constitution..... 30%
- 14 (3) Vacant lots..... 12%
- 15 (4) Real property which is owned and operated by a not-
16 for-profit organization not subject to federal income taxation
17 pursuant to section 501 of the federal internal revenue code,
18 and which is included in this subclass by law..... 12%
- 19 (5) Public utility real property, except railroad real property
20 which shall be assessed at the average rate that all other
21 commercial and industrial property is assessed..... 33%
- 22 (6) Real property used for commercial and industrial
23 purposes and buildings and other improvements located upon
24 land devoted to agricultural use..... 25%
- 25 (7) All other urban and rural real property not otherwise
26 specifically subclassified..... 30%

27 Class 2 shall consist of tangible personal property. Such
28 tangible personal property shall be further classified into six
29 subclasses, shall be defined by law for the purpose of
30 subclassification and assessed uniformly as to subclass at the
31 following percentages of value:

- 32 (1) Mobile homes used for residential purposes..... 11½%
- 33 (2) Mineral leasehold interests except oil leasehold interests
34 the average daily production from which is five barrels or
35 less, and natural gas leasehold interests the average daily
36 production from which is 100 mcf or less, which shall be
37 assessed at 25%..... 30%
- 38 (3) Public utility tangible personal property including
39 inventories thereof, except railroad personal property
40 including inventories thereof, which shall be assessed at the
41 average rate all other commercial and industrial property is
42 assessed..... 33%
- 43 (4) All categories of motor vehicles not defined and

1 specifically valued and taxed pursuant to law enacted prior to
2 January 1, 1985..... 30%

3 (5) Commercial and industrial machinery and equipment
4 which, if its economic life is seven years or more, shall be
5 valued at its retail cost when new less seven-year straight-line
6 depreciation, or which, if its economic life is less than seven
7 years, shall be valued at its retail cost when new less straight-
8 line depreciation over its economic life, except that, the value
9 so obtained for such property, notwithstanding its economic
10 life and as long as such property is being used, shall not be
11 less than 20% of the retail cost when new of such property.....
12 25%

13 (6) All other tangible personal property not otherwise
14 specifically classified..... 30%

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

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

24 "*Explanatory statement.* This amendment would authorize the
25 legislature to limit valuation increases of single-family
26 residential real property which is owned and occupied as the
27 principal place of residence of a Kansas resident who is a
28 100% disabled veteran who has served in the armed forces
29 of the United States or the Kansas national guard.

30 "A vote for this proposition would authorize the legislature to
31 limit valuation increases of single-family residential real
32 property which is owned and occupied as the principal place
33 of residence of a Kansas resident who is a 100% disabled
34 veteran who has served in the armed forces of the United
35 States or the Kansas national guard. The amendment would
36 also allow the legislature to enact legislation to limit
37 application of this provision and enact other legislation as
38 necessary to administer this provision.

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

42 Sec. 3. This resolution, if approved by two-thirds of the members
43 elected (or appointed) and qualified to the House of Representatives, and

1 two-thirds of the members elected (or appointed) and qualified to the
2 Senate shall be entered on the journals, together with the yeas and nays.
3 The secretary of state shall cause this resolution to be published as
4 provided by law and shall cause the proposed amendment to be submitted
5 to the electors of the state at the general election to be held on the first
6 Tuesday after the first Monday in November, 2016, unless a special
7 election is called at a sooner date by concurrent resolution of the
8 legislature, in which case it shall be submitted to the electors of the state
9 at the special election.