

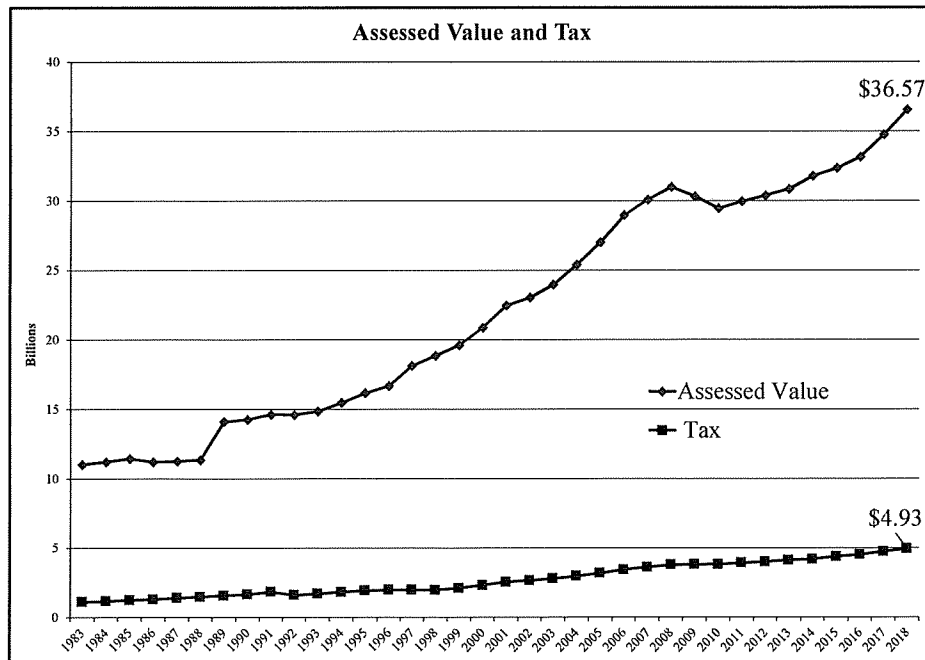
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Division of Property Valuation

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Ad Valorem Property Tax

- The property tax is the largest, single source of revenue in Kansas.
- For calendar year 2018 it generated **\$4.93 billion** in levied tax from **\$36.57 billion** of taxable value from **1.6 million** parcels.
- Property taxes are the main source of revenue to fund local services provided by cities, counties and other taxing subdivisions for:
 - roads, streets, parks, ambulance, fire and police protection, schools, community colleges and other services.

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Source: PVD Statistical Report of Property Assessment and Taxation.

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Constitution – Article 11

Except as otherwise hereinafter specifically provided, the legislature shall provide for a uniform and equal basis of valuation and rate of taxation of all property subject to taxation.

- a) “Ad Valorem” Property Tax System
- b) Value = **Fair Market Value** for all property - (except land devoted to agricultural use and commercial and industrial machinery and equipment)
- c) Rate = assessment rate (percentage of value)



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Fair Market Value Definition (K.S.A. 79-503a)

“‘Fair market value’ means the amount in terms of money that a well informed buyer is justified in paying and a well informed seller is justified in accepting for property in an open and competitive market, assuming that the parties are acting without undue compulsion”.



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Classification

Class 1 – Real Property

<u>Subclass</u>	<u>Assessment Rate</u>	<u>Value</u>
Residential	11.5%	Market
Ag Land	30.0%	Productivity/Income
Vacant Lots	12.0%	Market
Not-for-Profit	12.0%	Market
Public Utility	33.0%	Market
Comm/Industrial	25.0%	Market
Other	30.0%	Market

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Classification

Class 2 – Tangible Personal Property

<u>Subclass</u>	<u>Assmnt</u>	<u>Value</u>
Residential Mobile Homes	11.5%	Market
Mineral Leaseholds	30.0%	Market
Low Production	25.0%	Market
Public Utility	33.0%	Market
Motor Vehicles	30.0%	Market
CIME	25%	Retail cost when new
Other	30%	Market

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Appraisal Process (Real Property)

- 1) Annual appraisal as of January 1
- 2) Taxpayer notification of value on or before March 1
- 3) **Fair Market Value (K.S.A. 79-503A)**
 - a) Cost Approach to Fair Market Value (Marshall & Swift)
 - b) Sales Comparison Approach to Fair Market Value
 - c) Income Approach to Fair Market Value
- 4) Mass Appraisal
 - a) Relies on the development and testing of models to value a universe of properties
 - b) Multiple regression analysis to determine variables and coefficients
 - c) Results in consistency in properties within the models

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Appraisal Process (Testing of Results)

- 1) In 1992, the attorney general filed a lawsuit in Shawnee County District Court alleging that property values were not reasonably uniform or accurate on a statewide basis
- 2) PVD conceded valuation problems, and further conceded that there was not a reliable method of measuring uniformity and accuracy
- 3) **Result – Nationally recognized, award-winning sales ratio study program that was audited by legislative post audit and found to be meaningful and accurate.**



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PVD's Annual Compliance Review

<u>Substantial Compliance</u>	<u>Points</u>
1) Statistical Measures (Ratio Study)	50
a) Appraisal Level	25
b) Appraisal Uniformity	25
2) Procedures	43
3) Agricultural Use Valuation	5
4) Cadastral Mapping	2
Total (70 points to pass)	100
5) Statutory Compliance	

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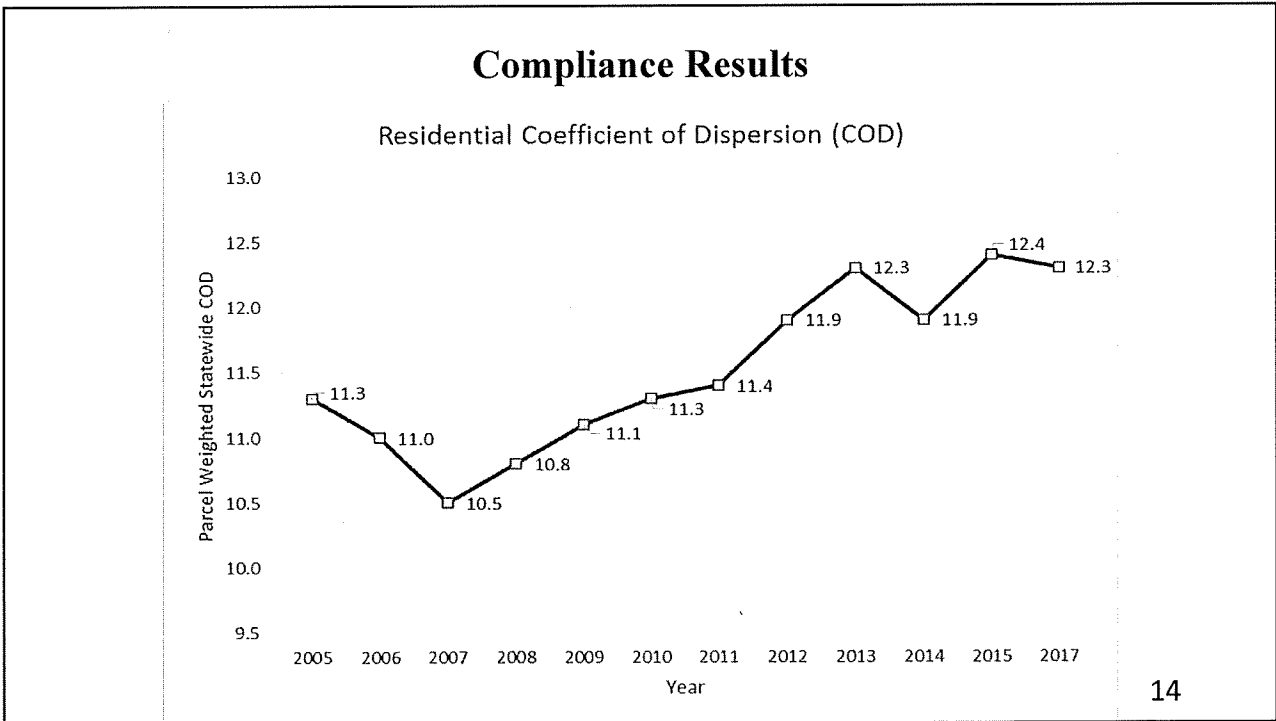
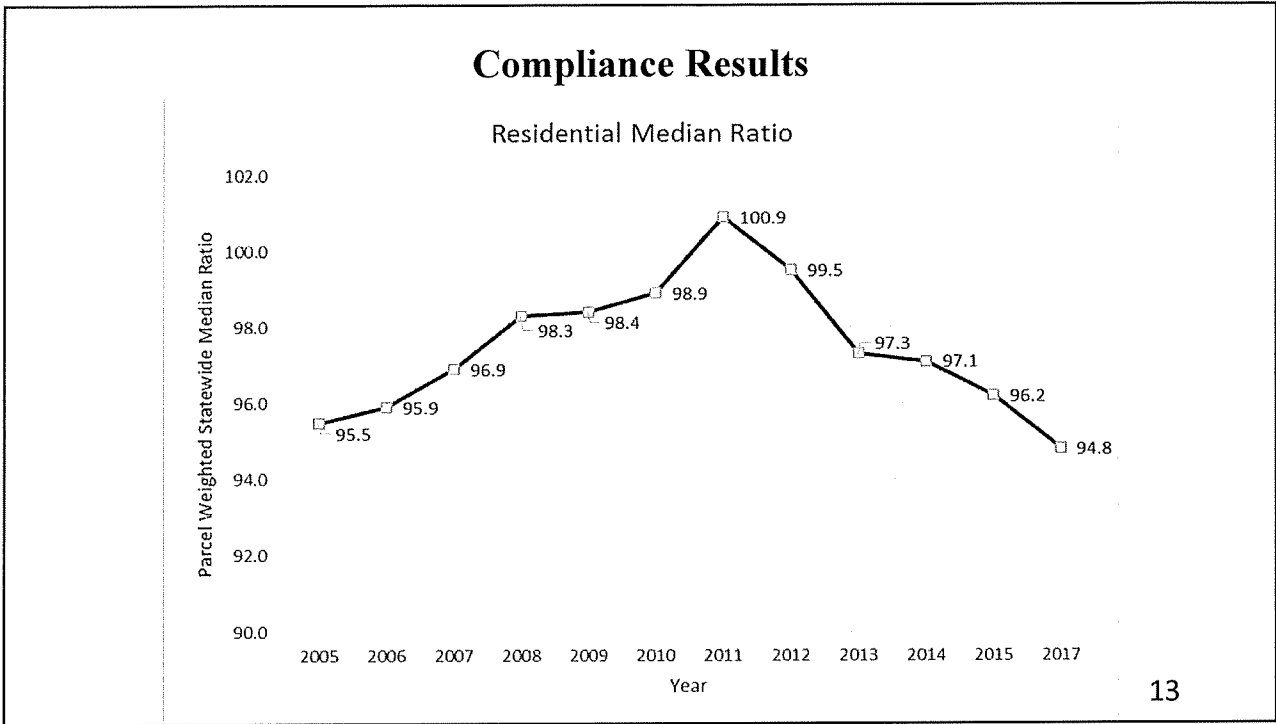
Ratio Study Results

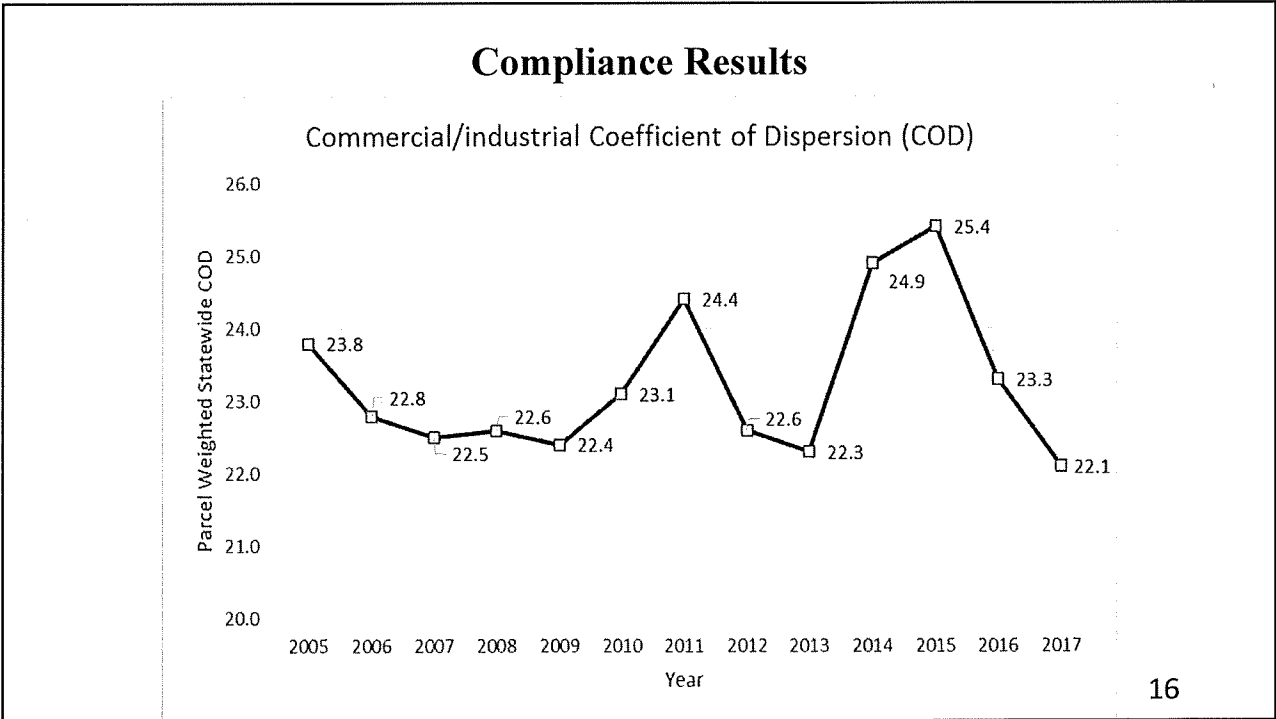
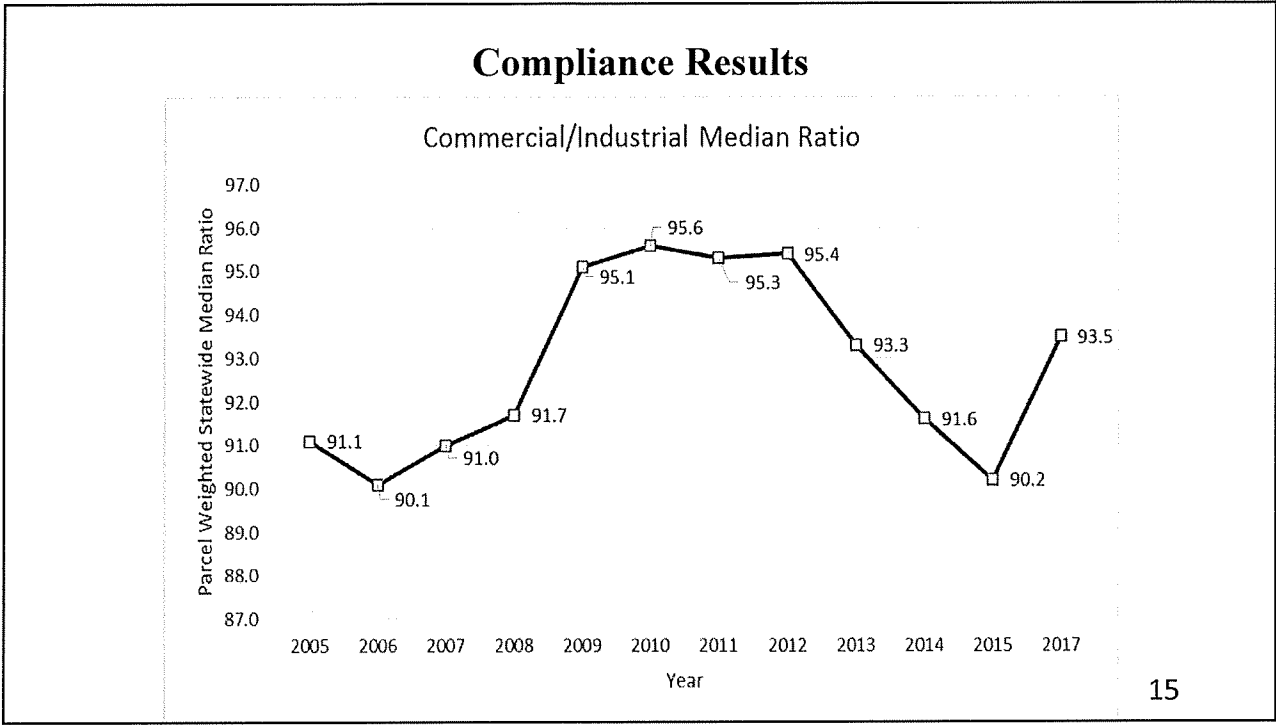
- 1) **Sales Ratio = January 1 Appraised Value (Divided By) Post January 1 Sale Price (Standards +/- 10)**
- 2) PVD validation process independent of county sale review
- 3) 15,000 + sales in the study
 - a) Overall residential market median ratio of 94.8
 - b) Overall commercial/industrial market median ratio of 93.5
- 4) Residential and Commercial compose about 76% of the assessed value in Kansas
- 5) Three counties failed substantial compliance in 2017 and have taken action/plan to address



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County Appraiser Responsibilities

K.S.A. 79-1412a

First – **Discover** (Deed work and ownership maps)

Second – **List** (Computer Assisted Mass Appraisal)

Second – **Value** (CAMA – Orion System)

Fourth – **Certify** (Appraisal roll to county clerk)



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County Appraiser Responsibilities

K.S.A. 79-1455

“Each year all taxable and exempt real and tangible personal property shall be appraised by the county appraiser at its fair market value as of January 1, in accordance with K.S.A. 79-503a unless otherwise specified by law”.

K.S.A. 79-1459 provides for the preparation of appraisal maps and appraisal records.

K.S.A. 79-1460 provides deadlines for the notification of change of classification or appraised value.

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County Appraiser Qualifications (*K.S.A. 19-430*)

- 1) County Appraisers are appointed for 4-year terms by county commission (June 30, 2021)
- 2) Must be appointed from the PVD list of qualified/eligible appraisers
 - a) three years of mass appraisal experience
 - b) successful completion of a comprehensive exam administered by PVD
 - c) hold one of four designations:
 - i. a certified general real property appraiser (KREAB)
 - ii. Registered Mass Appraiser (KDOR)
 - iii. Residential Evaluation Specialist (RES) (IAAO)
 - iv. Certified Assessment Evaluator (CAE) (IAAO)



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County Appraiser Appointment (*K.S.A. 19-430*)

- 1) Once certified, an eligible Kansas appraiser may retain that status only through successful completion of additional appraisal courses (120 hours every four year term)
- 2) **If** the position becomes vacant, the commissioners may appoint an interim county appraiser, subject to the approval of the director of property valuation, for a period not to exceed six months



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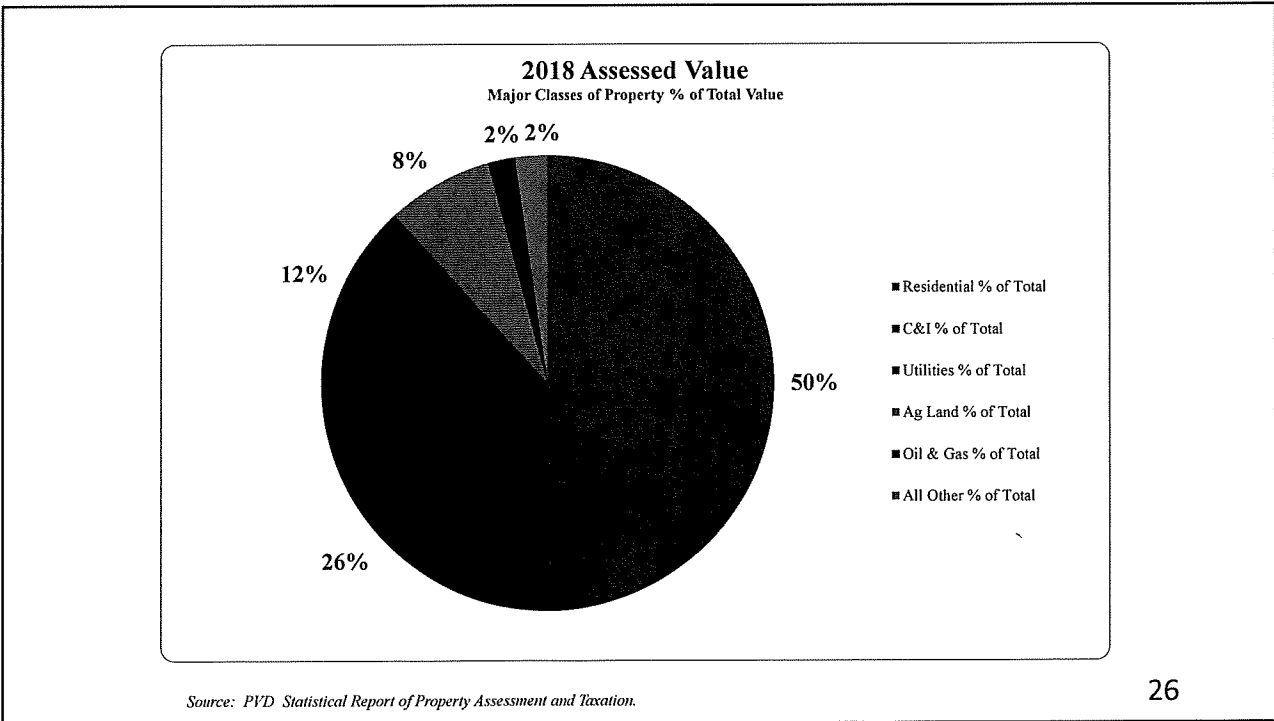
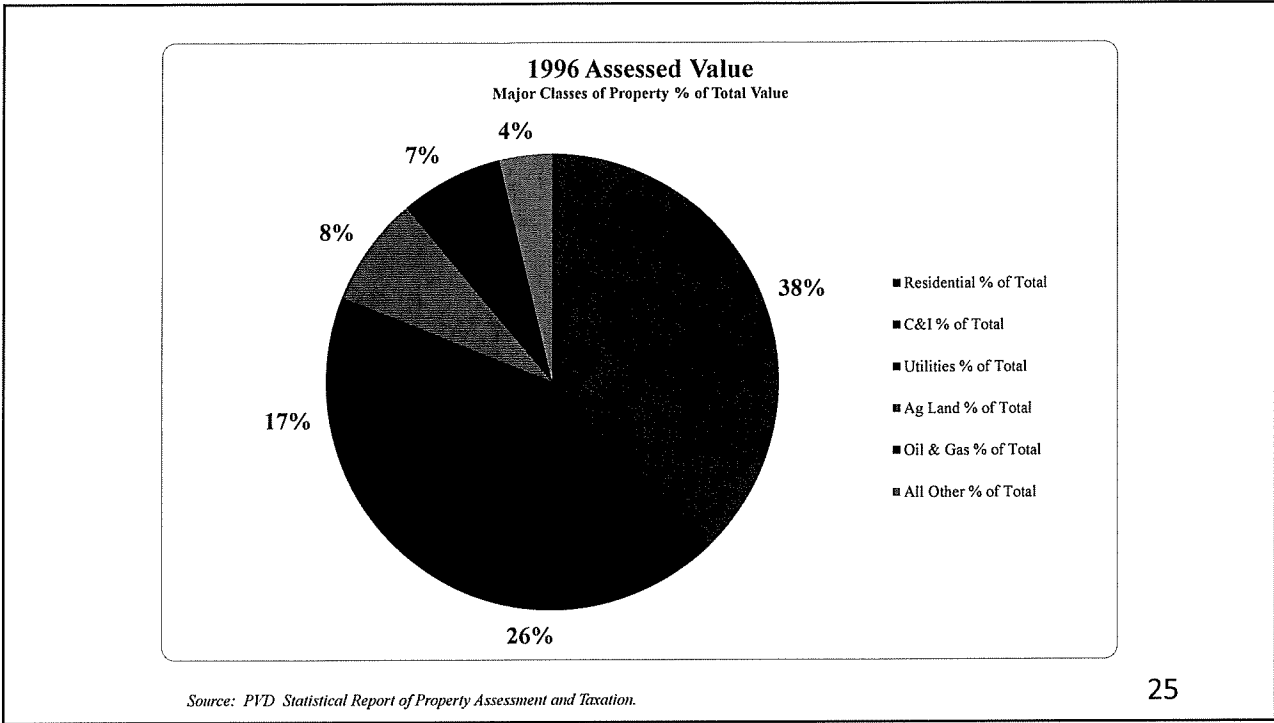
Appraiser Qualifications

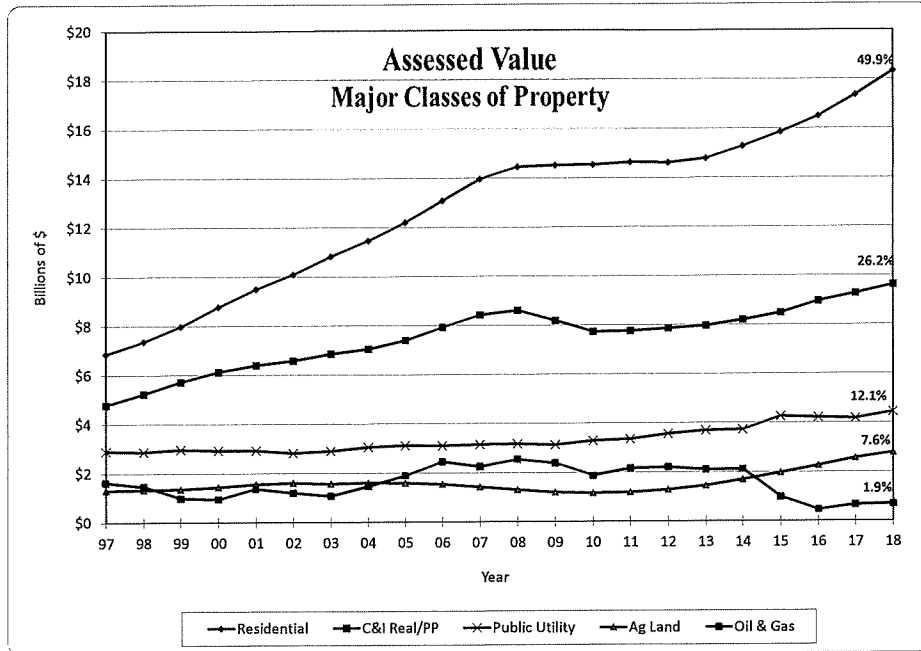
Appraisal Experience	County Appraiser (Division of Property Valuation)	Certified Residential (KS Real Estate Appraisal Board)	Certified General (KS Real Estate Appraisal Board)
Work	6,000 hours mass appraisal	2,500 appraisal hours (no more than 25% from mass appraisal)	3,000 appraisal hours (no more than 25% from mass appraisal)
College Degree	No	Bachelor's Degree or Higher - Beginning 1/1/2015	Bachelor's Degree or Higher - Beginning 1/1/2015
Qualifying Appraisal Education	200 hours	200	300
Continuing Education	120 hrs every 4 years	28 hrs every 2 years	28 hours every 2 years
Case Studies/Exams	Residential, Commercial	None	None
Exams	PVD's Appraiser Eligibility Exam	Residential Classification Exam	Commercial Classification Exam

Appraisal Standards

- 1) Uniform Standards of Professional Appraisal Practice (USPAP)
 - a) Point of emphasis over the past three years
 - b) 2014 Legislation moved us to the current version of USPAP
 - c) Scope of Work Document is now required – details of the type and extent of research and analysis
 - d) Competency Rule (Complex and unique properties)



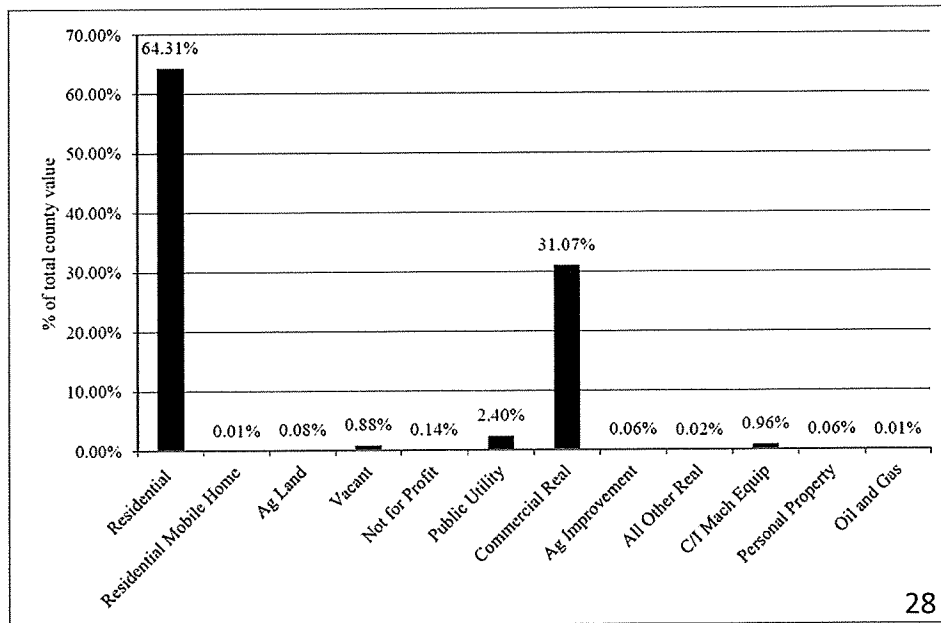


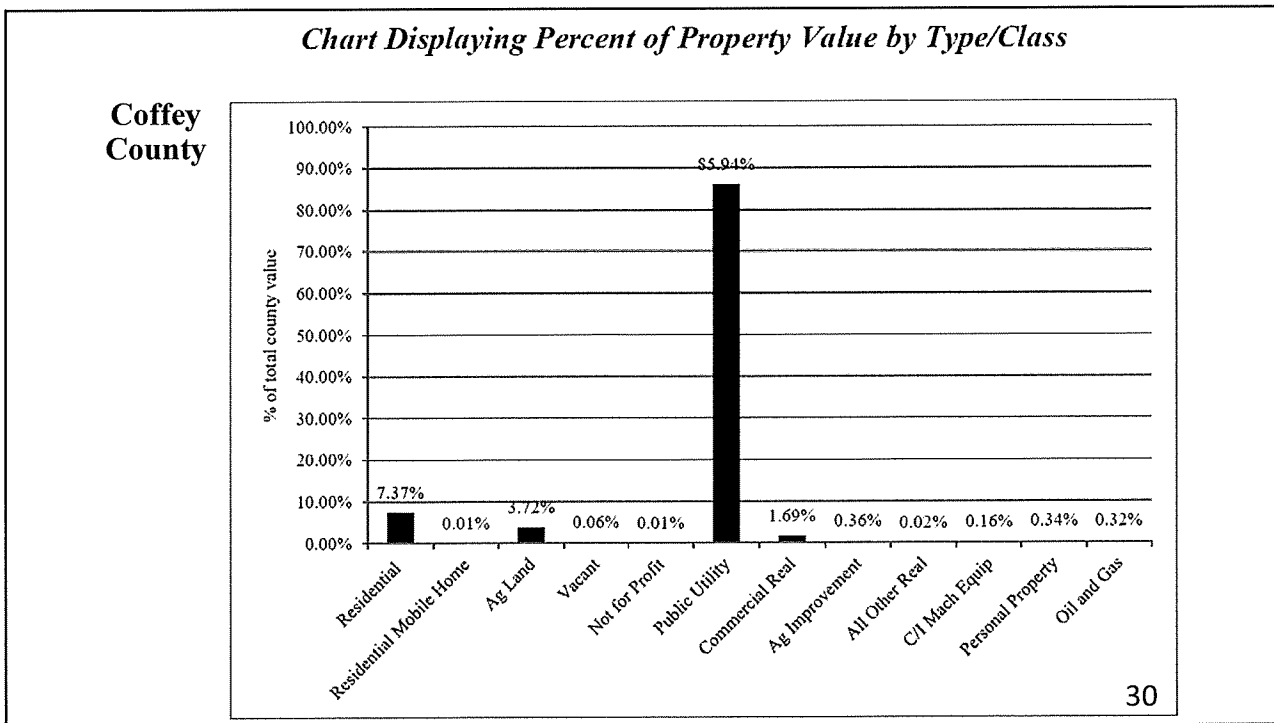
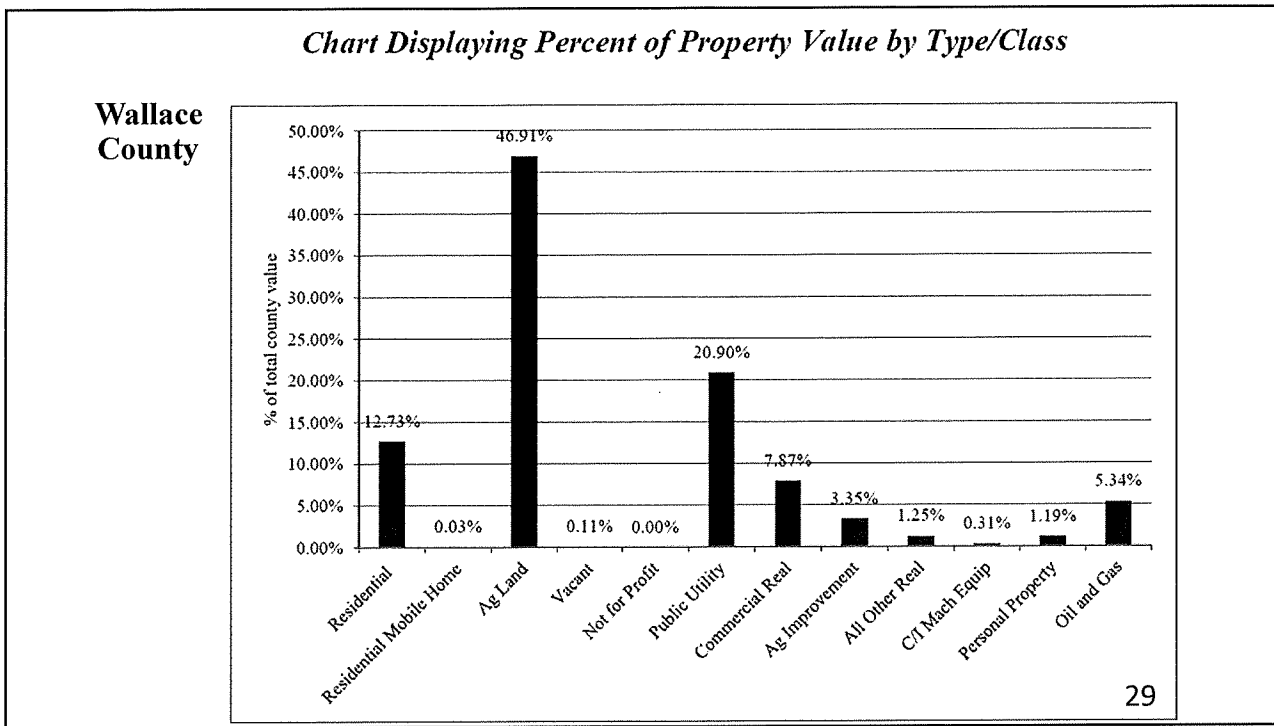


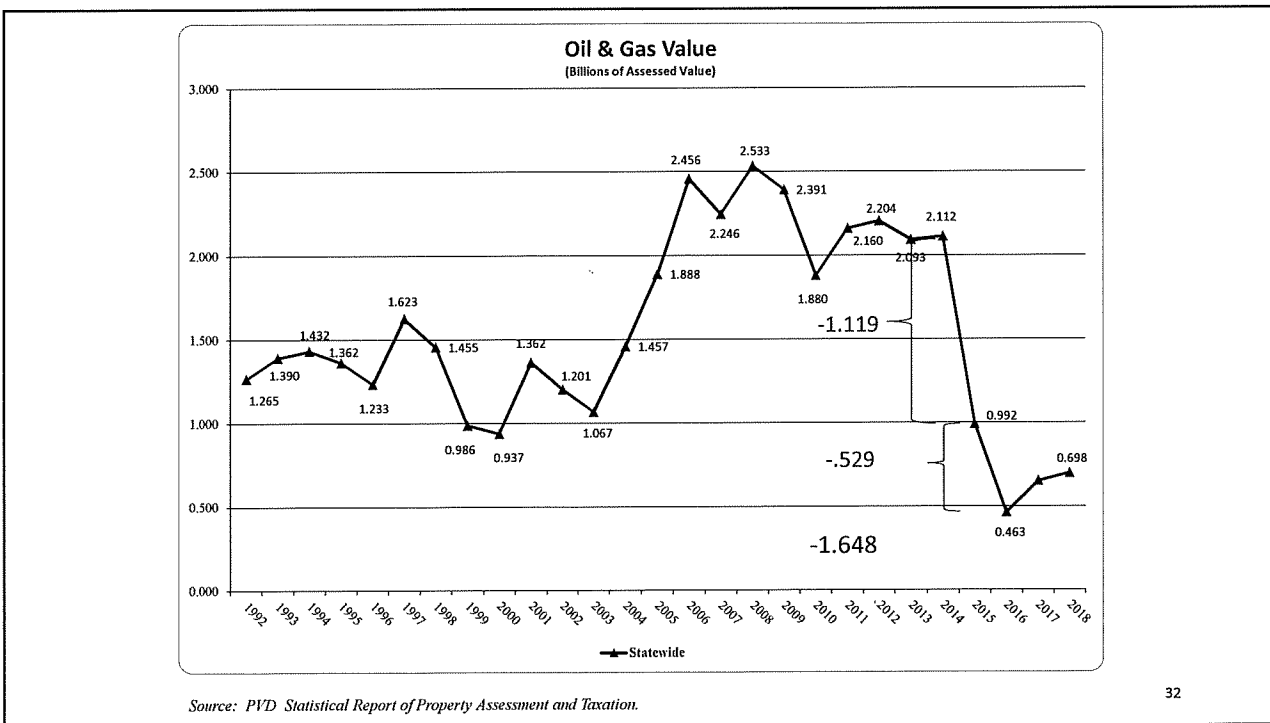
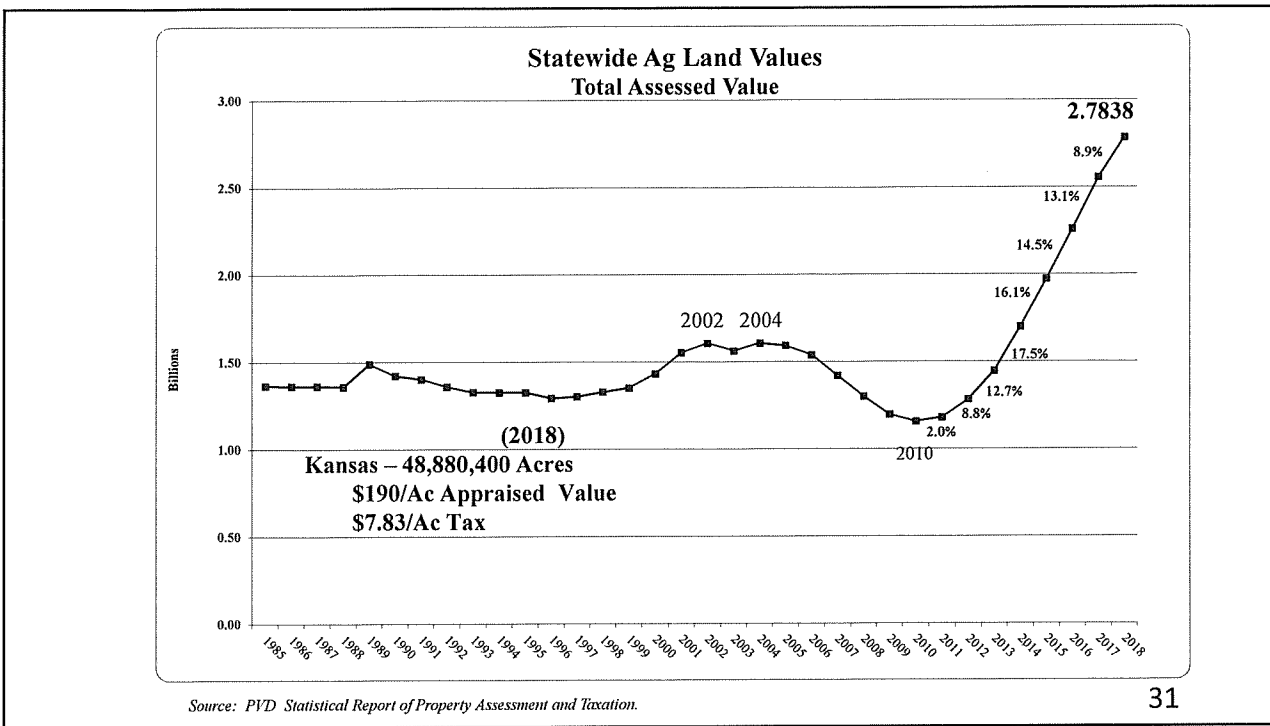
Source: PVD Statistical Report of Property Assessment and Taxation.

Chart Displaying Percent of Property Value by Type/Class

Johnson County







Statewide Distribution

Taxing Districts	Total	% of Total
State	54,842,308	1.11%
County	1,433,006,427	29.02%
City	801,250,706	16.23%
Township	82,944,338	1.68%
School	679,492,768	13.76%
School Other	1,179,446,635	23.89%
Community College	346,738,328	7.02%
Municipal University	3,657,329	0.07%



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Levied Tax
\$244,583,986

Tax Per Capita
\$1,375

Shawnee County Distribution

Taxing Districts	Total	% of Total
State	2,441,888.68	1.00%
County	78,656,665.45	32.16%
City	43,975,438.21	17.98%
Township	8,522,099.42	3.48%
USD General	29,699,172.49	12.14%
USD Other	50,491,929.01	20.64%
Municipal University	3,526,054.91	1.44%
Airport Authority	3,340,586.62	1.37%
Cemetery	6,808.76	0.00%
Drainage	345,587.96	0.14%
Fire	2,635,066.90	1.08%
Improvement	438,897.98	0.18%
Library	15,584,255.75	6.37%
Lighting	984.88	0.00%
Tax Increment	213,604.80	0.09%
Watershed	111,971.43	0.05%
Misc.	4,593,422.51	1.88%

Ad Valorem Property Tax

- Statewide Levies (2018)
 - K-12 schools (20 Mills) = \$679,493,000
 - KS Education Building Fund (1 Mill) = \$36,566,000
 - State Institutional Building Fund (.5 Mill) = \$18,283,000
 - *K-12 schools (all other) = \$1,179,446,000 (32 mills)*
 - *Residential Exemption (\$46) = \$45,990,000*
 $(\$20,000 \times 11.5\% \times .020 = \$46)$
 - *Tag/Taxed & 16/20M Vehicles*
 - *USD 20 Mills not include in the County Motor Vehicle Levy = \$68,138,000*
 - *USD All Other = \$120,489,00*



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K-12 Levy

<u>Year</u>	<u>State Set</u>	<u>Local Set</u>
• 1991	None	9.123 – 93.677
• 1992	32 Mills	\$116.0 M
• 1993	33 Mills	\$97.8 M
• 1994	35 Mills	\$127.6 M
• 1995	27 Mills	\$143.7 M
• 1996	20 Mills	\$136.5 M
• 1997	20 Mills	\$181.6 M



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Levied Tax
\$7,322,333

Tax Per Capita
\$5,872

Greeley County Distribution

Taxing Districts	Total	% of Total
State	53,603.66	0.73%
County	4,875,822.04	66.59%
City	314,059.96	4.29%
USD General	687,262.04	9.39%
USD Other	1,370,466.22	18.72%
Cemetery	21,119.85	0.29%

28.11%
for USD
Funding

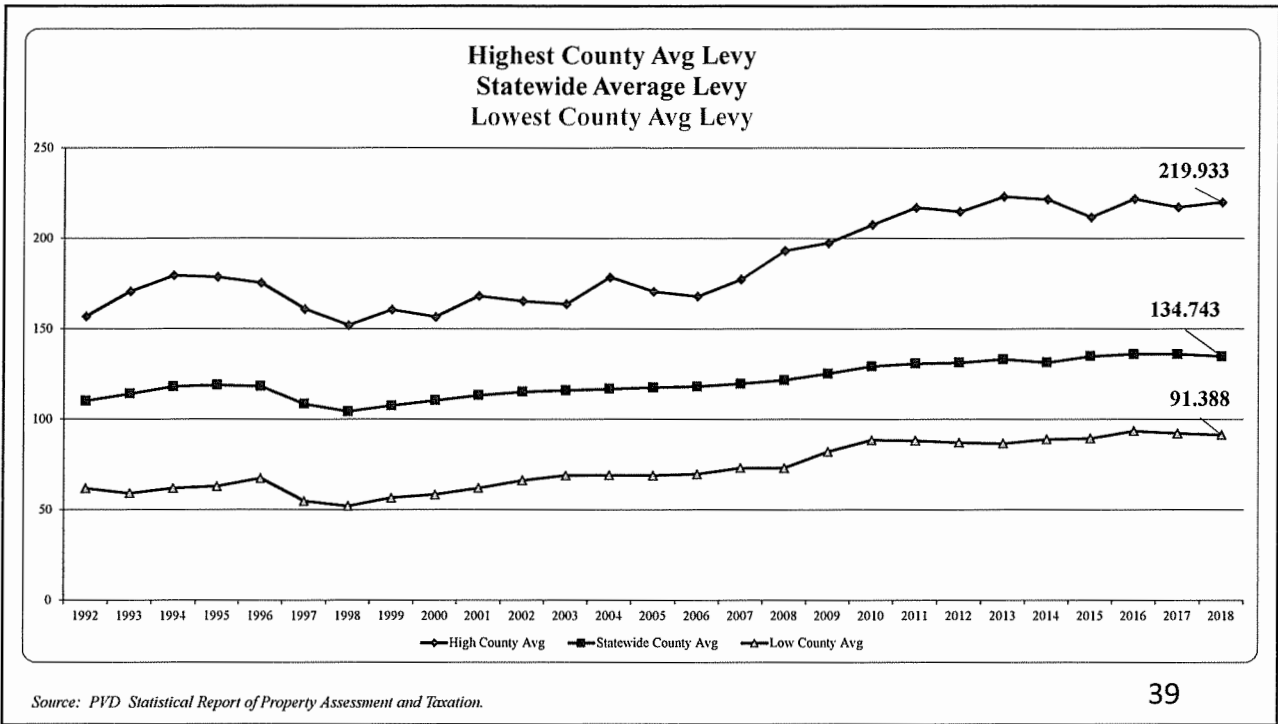
Levied Tax
\$179,312,949

Tax Per Capita
\$1,618

Douglas County Distribution

Taxing Districts	Total	% of Total
State	1,986,145.24	1.11%
County	60,457,804.73	33.72%
City	35,960,614.69	20.05%
Township	4,479,776.09	2.50%
USD General	24,982,591.60	13.93%
USD Other	48,713,965.67	27.17%
Cemetery	75,874.16	0.04%
Drainage	134,187.67	0.07%
Fire	441,586.38	0.25%
Library	315,893.66	0.18%
Tax Increment	1,185,554.15	0.66%
Watershed	133,587.51	0.07%
Misc.	444,401.71	0.25%

41.10%
for USD
Funding



High County Average Levy

<u>Year</u>	<u>County</u>	<u>Rate</u>
• 2011	Smith	216.921
• 2012	Smith	214.696
• 2013	Smith	223.045
• 2014	Smith	221.473
• 2015	Smith	211.640
• 2016	Clark	221.785
• 2017	Clark	217.193
• 2018	Clark	219.933

Kansas Effective Tax Rate

Subclass	Assessment Rate	State Avg Levy	Effective Tax Rate	Market Value	Tax
Residential	11.5%	0.135925	1.56%	\$100,000	\$1,563
Commercial	25.0%	0.135925	3.40%	\$100,000	\$3,398
Utility	33.0%	0.135925	4.49%	\$100,000	\$4,486
Ag Land			.35%	\$100,000	\$330



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Source: PVD Statistical Report of Property Assessment and Taxation.

Effective Tax Rate Comparison

State	Effective Tax Rate
Kansas (13)	1.47%
Nebraska (12)	1.50%
Iowa (15)	1.43%
Missouri (19)	1.11%
Oklahoma (29)	.89%
Colorado (48)	.52%
Texas (2)	2.06%
New Jersey (1)	2.30%

*Average Statewide Levies
2018*

County	2017 Average Levy	Average <i>Rural</i> Levy	Average <i>Urban</i> Levy	Overall Average Levy	Rank H - L	Urban Residential ETR	Urban Commercial ETR
Clark	0.217193	0.212154	0.259514	0.219933	1	2.98%	6.49%
Greeley	0.204897	0.194312	0.254293	0.202352	2	2.92%	6.36%
Lane	0.195357	0.180355	0.253899	0.188843	3	2.92%	6.35%
Comanche	0.180552	0.169216	0.251644	0.181877	4	2.89%	6.29%
Smith	0.185223	0.159925	0.241176	0.175343	5	2.77%	6.03%
Elk	0.191786	0.170242	0.240551	0.182473	6	2.77%	6.01%
Stanton	0.204404	0.194898	0.234883	0.201431	7	2.70%	5.87%
Chautauqua	0.188693	0.173981	0.231756	0.183620	8	2.67%	5.79%
Hodgeman	0.186514	0.184716	0.224301	0.190055	9	2.58%	5.61%
Hamilton	0.195145	0.184627	0.222393	0.192883	10	2.56%	5.56%
Morton	0.169912	0.151697	0.222314	0.164457	11	2.56%	5.56%
Edwards	0.168933	0.154022	0.218196	0.165109	12	2.51%	5.45%
Osborne	0.163979	0.152606	0.216884	0.166059	13	2.49%	5.42%
Republic	0.162530	0.149399	0.216128	0.160177	14	2.49%	5.40%
Harper	0.160442	0.143835	0.215998	0.162447	15	2.48%	5.40%
Wichita	0.160410	0.146641	0.214883	0.155948	16	2.47%	5.37%
Graham	0.166392	0.145955	0.213261	0.154775	17	2.45%	5.33%
Labette	0.187444	0.158294	0.212110	0.186996	18	2.44%	5.30%
Rooks	0.159768	0.131268	0.211242	0.148104	19	2.43%	5.28%
Wallace	0.167890	0.151181	0.211139	0.159210	20	2.43%	5.28%
Woodson	0.174337	0.160162	0.210264	0.169324	21	2.42%	5.26%
Ness	0.156168	0.144242	0.209781	0.155224	22	2.41%	5.24%
Stevens	0.166276	0.157799	0.209727	0.167332	23	2.41%	5.24%
Greenwood	0.170531	0.158066	0.209435	0.170015	24	2.41%	5.24%
Rush	0.177577	0.168464	0.207722	0.177019	25	2.39%	5.19%
Scott	0.154580	0.137002	0.205206	0.156861	26	2.36%	5.13%
Cloud	0.178143	0.159950	0.202632	0.173621	27	2.33%	5.07%
Phillips	0.164891	0.148617	0.202324	0.161545	28	2.33%	5.06%
Haskell	0.154138	0.144416	0.201008	0.150659	29	2.31%	5.03%
Trego	0.165080	0.148965	0.200248	0.160095	30	2.30%	5.01%
Morris	0.157193	0.146327	0.200209	0.159695	31	2.30%	5.01%
Barber	0.162214	0.160917	0.199677	0.168014	32	2.30%	4.99%
Cheyenne	0.167201	0.153273	0.199221	0.161865	33	2.29%	4.98%
Bourbon	0.180772	0.162771	0.198936	0.179273	34	2.29%	4.97%
Meade	0.142635	0.133837	0.198821	0.142231	35	2.29%	4.97%
Lincoln	0.169662	0.155629	0.198212	0.160511	36	2.28%	4.96%
Kiowa	0.145904	0.136600	0.198101	0.144750	37	2.28%	4.95%
Pawnee	0.166246	0.154390	0.196517	0.165636	38	2.26%	4.91%
Kingman	0.162370	0.152569	0.196471	0.162790	39	2.26%	4.91%
Marion	0.160302	0.141768	0.195931	0.158300	40	2.25%	4.90%
Norton	0.156747	0.133656	0.195749	0.149551	41	2.25%	4.89%
Montgomery	0.161121	0.149044	0.195376	0.166301	42	2.25%	4.88%
Mitchell	0.178005	0.158204	0.194114	0.172563	43	2.23%	4.85%
Neosho	0.173127	0.160347	0.192393	0.178223	44	2.21%	4.81%
Pratt	0.156389	0.141600	0.192392	0.156132	45	2.21%	4.81%

*Average Statewide Levies
2018*

County	2017 Average Levy	Average <i>Rural</i> Levy	Average <i>Urban</i> Levy	Overall Average Levy	Rank H - L	Urban Residential ETR	Urban Commercial ETR
Chase	0.151340	0.134735	0.192121	0.142476	46	2.21%	4.80%
Ottawa	0.167380	0.156104	0.191305	0.163053	47	2.20%	4.78%
Russell	0.176498	0.160628	0.191228	0.172027	48	2.20%	4.78%
Seward	0.159555	0.141242	0.191140	0.164886	49	2.20%	4.78%
Jewell	0.156575	0.142681	0.190583	0.147445	50	2.19%	4.76%
Gove	0.146064	0.131222	0.188003	0.139327	51	2.16%	4.70%
Sheridan	0.143629	0.128330	0.187958	0.137576	52	2.16%	4.70%
Jackson	0.151073	0.136418	0.187915	0.149093	53	2.16%	4.70%
Logan	0.143032	0.123332	0.187400	0.137856	54	2.16%	4.69%
Decatur	0.141538	0.131491	0.187356	0.139337	55	2.15%	4.68%
Allen	0.158009	0.143024	0.185723	0.155863	56	2.14%	4.64%
Barton	0.174133	0.159093	0.185235	0.172051	57	2.13%	4.63%
Anderson	0.164973	0.149909	0.185080	0.159735	58	2.13%	4.63%
Cowley	0.165560	0.146179	0.183634	0.165131	59	2.11%	4.59%
Rawlins	0.135249	0.121547	0.183556	0.130218	60	2.11%	4.59%
Wilson	0.136539	0.121892	0.183269	0.135508	61	2.11%	4.58%
Ford	0.174833	0.159985	0.182342	0.172447	62	2.10%	4.56%
Osage	0.155140	0.142453	0.181494	0.154488	63	2.09%	4.54%
Kearny	0.152701	0.135620	0.181271	0.141696	64	2.08%	4.53%
Franklin	0.152829	0.132850	0.179166	0.155051	65	2.06%	4.48%
Stafford	0.144827	0.139532	0.178994	0.145652	66	2.06%	4.47%
Washington	0.152832	0.142404	0.178087	0.148636	67	2.05%	4.45%
Ellsworth	0.129477	0.115002	0.177844	0.129428	68	2.05%	4.45%
Linn	0.118835	0.108570	0.176022	0.115303	69	2.02%	4.40%
Clay	0.154134	0.144208	0.175499	0.154752	70	2.02%	4.39%
Marshall	0.139994	0.123984	0.175444	0.137001	71	2.02%	4.39%
Jefferson	0.148159	0.138327	0.175304	0.146325	72	2.02%	4.38%
Reno	0.164816	0.149462	0.172626	0.163756	73	1.99%	4.32%
Thomas	0.166046	0.157378	0.171834	0.163135	74	1.98%	4.30%
Wyandotte	0.171799	0.133882	0.170683	0.170648	75	1.96%	4.27%
Rice	0.147669	0.125975	0.170158	0.134707	76	1.96%	4.25%
Butler	0.153683	0.137321	0.168485	0.152628	77	1.94%	4.21%
Atchison	0.145600	0.120356	0.166652	0.142649	78	1.92%	4.17%
Dickinson	0.143606	0.126824	0.166392	0.142970	79	1.91%	4.16%
Wabaunsee	0.150645	0.142693	0.166323	0.146737	80	1.91%	4.16%
Lyon	0.144806	0.120885	0.164962	0.144268	81	1.90%	4.12%
Sumner	0.153652	0.138737	0.164376	0.151284	82	1.89%	4.11%
Harvey	0.146041	0.117922	0.164162	0.146834	83	1.89%	4.10%
Gray	0.135537	0.123179	0.162266	0.133771	84	1.87%	4.06%
Sherman	0.133140	0.117909	0.162103	0.132329	85	1.86%	4.05%
Geary	0.154981	0.122681	0.161832	0.152923	86	1.86%	4.05%
Cherokee	0.125521	0.104667	0.160505	0.125407	87	1.85%	4.01%
Finney	0.136311	0.122590	0.158420	0.139378	88	1.82%	3.96%
Shawnee	0.150238	0.130768	0.157388	0.148911	89	1.81%	3.93%
Miami	0.131419	0.115692	0.156017	0.129999	90	1.79%	3.90%

*Average Statewide Levies
2018*

County	2017 Average Levy	Average <i>Rural</i> Levy	Average <i>Urban</i> Levy	Overall Average Levy	Rank H - L	Urban Residential ETR	Urban Commercial ETR
Crawford	0.140499	0.113198	0.153525	0.140232	91	1.77%	3.84%
Riley	0.137897	0.109485	0.146832	0.140951	92	1.69%	3.67%
McPherson	0.118515	0.106140	0.137919	0.119493	93	1.59%	3.45%
Saline	0.123202	0.101321	0.136294	0.127542	94	1.57%	3.41%
Leavenworth	0.129849	0.116006	0.136215	0.128328	95	1.57%	3.41%
Douglas	0.135420	0.124737	0.135886	0.133770	96	1.56%	3.40%
Doniphan	0.119512	0.106270	0.132744	0.112262	97	1.53%	3.32%
Brown	0.109532	0.097578	0.132082	0.105188	98	1.52%	3.30%
Coffey	0.092178	0.088857	0.131237	0.091388	99	1.51%	3.28%
Grant	0.095910	0.086096	0.127822	0.094403	100	1.47%	3.20%
Nemaha	0.113853	0.104301	0.126470	0.109741	101	1.45%	3.16%
Pottawatomie	0.098068	0.092121	0.126089	0.099868	102	1.45%	3.15%
Sedgwick	0.121198	0.116162	0.122533	0.121630	103	1.41%	3.06%
Johnson	0.122275	0.119664	0.120279	0.120261	104	1.38%	3.01%
Ellis	0.107801	0.095452	0.114488	0.107517	105	1.32%	2.86%
Statewide	0.135954	0.128793	0.137606	0.134743		1.58%	3.44%

2012 Legislative Session

Property Tax

Senate Substitute for House Bill 2117 makes the Homestead Program available only to owners. Renters will no longer be eligible for homestead tax refunds.

House Bill 2769 clarifies that, retroactive to tax year 2011, all housing developments and related improvements located on U.S. military installations and used exclusively or primarily by military personnel and their families are exempt from property taxation, notwithstanding the fact that the property may have been developed pursuant to the military housing privatization initiative.

2013 Legislative Session

Property Tax

House Substitute for Senate Bill 83 provides a property tax exemption retroactive to tax year 2012 for all new automobile manufacturing property, defined generally to mean all property purchased or constructed after December 31, 2011 by qualifying automobile manufacturers.

The bill also implements changes to the property tax system for watercraft such that the current 30 percent assessment level will be reduced to 11.5 percent in tax year 2014; and then to 5 percent in tax year 2015 and thereafter.

House Bill 2059 authorizes counties to grant property tax abatement or credits to owners of homesteads destroyed or substantially destroyed by earthquake, flood, tornado, fire, storm, or other event that the Governor has declared a disaster, taking effect for taxable years after December 31, 2011, and ending before January 1, 2014.

2014 Legislative Session

Property Tax

House Bill 2057 authorizes the appointment of interim county appraisers; relieves certain personal property tax liability for owners or lessees of real property upon which personal property has been abandoned or repossessed; clarifies procedures for the collection of taxes on sold or transferred personal property.

House Bill 2643 defines for property tax purposes beginning in Tax Year 2014 commercial and industrial machinery and equipment to include such property used directly in the manufacture of cement, lime or similar products. This bill also requires the mortgage registration tax to be phased out over the next 5-years, beginning in 2015.

House Substitute for Senate Bill 231 abolished Court of Tax Appeals (COTA) and reestablished Board of Tax Appeals (BOTA), as well as making significant changes to the property tax appeal process.

2015 Legislative Session

Property Tax

House Substitute for Senate Bill 91 provides a property tax exemption for the life of property that is actually and regularly used to generate electricity using renewable energy resources or technologies if the facility files an application for an exemption or received a conditional use permit on or before December 31, 2016. Exemptions granted after this date will be for 10-years.

House Substitute for Senate Bill 270 states that beginning in 2018, cities and counties are prohibited from adopting, absent mandatory elections, portions of their budgets funded with revenues from certain property tax increases. Generally, cities and counties in 2018 will be authorized to increase property taxes at the rate of inflation plus for a number of other exempt purposes (including costs associated with new infrastructure, certain property taxes levied for bonds and interest, certain road construction costs, special assessments, costs associated with federal or state mandates, and payment of judgments) prior to the triggering of the election mandate.

2016 Legislative Session

Property Tax

Senate Substitute for House Bill 2088 accelerates by one year (from January 1, 2018 to January 1, 2017) the effective date of a tax lid for cities and counties, originally approved in 2015 legislation. Under the tax lid provisions, increases in property tax dollars levied beyond the rate of inflation generally require voter approval, except that certain types of property tax increases are exempt from the computation involved in determining whether mandatory elections are necessary. New clarifying language stipulates that the inflation measure utilized will be a five-year rolling average, and under no circumstances could a figure be utilized of less than zero.

House Substitute for Senate Bill 280 makes a number of changes in law generally relating to property taxation. In addition to other changes, the bill clarifies the law governing the issuance and review of Board of Tax Appeals (BOTA) decisions. An aggrieved party is authorized to file a petition for reconsideration after a full and complete opinion had been rendered. Another provision raises the interest rate for delinquent real property taxes by five percent. The bill defines “bed and breakfast” property defined as residential and eligible for the 11.5 percent assessment rate is expanded to include property with 5 or fewer bedrooms available for overnight guests who stay for not more than 28 consecutive days. It also provides for a property tax exemption for tax years 2016 to 2020 for property owned and primarily operated as an airport by a healthcare foundation also exempt for federal income tax purposes. Another provision states that if the director of property valuation has developed and adopted methodologies to value specific types of property, the county appraiser shall be required

to follow such methodologies. The bill allows for a mixed-use classification of residential and land devoted to agricultural use for a single parcel.

2017 Legislative Session

Property Tax

Senate Bill 19 reauthorizes the statewide 20-mill school finance levy for school years 2017-2018 and 2018-2019. The first \$20,000 of assessed valuation of residential properties will continue to be exempt from this levy.

Senate Substitute for House Bill 2132 allows a port authority to sell, by a negotiated sale, real or personal property for less than the appraised value if the port authority declares that it is in the public interest due to the return of new jobs, capital investment, or increased tax revenue.

House Bill 2212 authorizes a property tax exemption for not more than 10 calendar years for certain land, buildings, and personal property owned by a redevelopment authority and located within a former federal enclave when such property is leased to a business and used exclusively for manufacturing, research and development, or warehousing purposes.

It also expands a list of certain types of tax-exempt property whose owners are not required to seek approval from the State Board of Tax Appeals to include property acquired by a land bank, recreational vehicles owned by full-time members of the military, and most property belonging to the federal government (other than any such federal property otherwise expressly declared by Congress to be subject to state and local taxation).

Additionally, the bill stipulates a property tax exemption for certain qualifying pipelines would not be applicable unless owners have filed an exemption request within two years of the date construction has commenced.

2019 Legislative Session

Property Tax

House Bill 2188 makes the City of Atchison (City) responsible for the maintenance and repair of all watershed lakes, dams, and other projects of the White Clay Watershed District No. 26 (District), on and after January 1, 2020. Additionally, the bill dissolves the District on January 1, 2020, and makes the City the District's successor.

House Substitute for Senate Bill 16 extends the statewide 20-mill property tax levy for schools to FY 2020 and FY 2021. The bill also extends the \$20,000 homestead exemption for the 20-mill levy for the same fiscal years.

**2017 November - 2018 November
Valuation Comparison**

Real Property					
Statewide	Nov 2017	Nov 2018	Change	% chg	% Total
Res. Land	2,842,536,324	2,910,379,370	67,843,046	2.39%	
Res. Impr	14,508,227,656	15,406,066,841	897,839,185	6.19%	
Total Res.	17,350,763,980	18,316,446,211	965,682,231	5.57%	50.09%
Ag Use	2,554,720,745	2,783,864,375	229,143,630	8.97%	7.61%
Vacant Lots	225,186,112	228,639,265	3,453,153	1.53%	0.63%
NfP Land	7,381,852	7,213,037	-168,815	-2.29%	
NfP Impr	22,395,625	16,590,367	-5,805,258	-25.92%	
Total NfP	29,777,477	23,803,404	-5,974,073	-20.06%	0.07%
Comm Land	1,838,255,519	1,878,994,896	40,739,377	2.22%	
Comm Impr	6,744,696,095	7,051,089,082	306,392,987	4.54%	
Total Comm	8,582,951,614	8,930,083,978	347,132,364	4.04%	24.42%
Ag Use Impr	317,897,600	322,757,462	4,859,862	1.53%	0.88%
All Other Land	17,458,932	18,105,046	646,114	3.70%	
All Other Impr	5,140,206	5,223,534	83,328	1.62%	
Total All Other	22,599,138	23,328,580	729,442	3.23%	0.06%
Public Utility Land	0	990	990	100.00%	0.00%
Accum Land	7,485,539,484	7,827,196,979	341,657,495	4.56%	
Accum Impr	21,598,357,182	22,801,727,286	1,203,370,104	5.57%	
Total Land/Impr	29,083,896,666	30,628,924,265	1,545,027,599	5.31%	
<i>Real Parcels</i>	<i>1,673,167</i>	<i>1,684,969</i>	<i>11,802</i>	<i>0.71%</i>	
Personal Property					
Public Utility (Rural)	3,252,353,769	3,449,062,282	196,708,513	6.05%	
Public Utility (Urban)	929,500,887	989,926,137	60,425,250	6.50%	
Public Utility Penalty	192,667	53,617	-139,050	-72.17%	
Total Public Utility	4,182,047,323	4,439,042,036	256,994,713	6.15%	12.14%
Mobile Homes	48,379,434	47,446,868	-932,566	-1.93%	0.13%
<i>Oil</i>					
Roy 5bbls under	51,343,873	57,290,004	5,946,131	11.58%	
Wkg 5bbls under	44,225,644	45,065,964	840,320	1.90%	
Item equip	5,872,887	6,093,679	220,792	3.76%	
<i>Gas</i>					
Roy 100mcf under	36,905,563	45,680,701	8,775,138	23.78%	
Wkg 100mcf under	47,564,803	69,022,239	21,457,436	45.11%	
Item equip	72,658	130,523	57,865	79.64%	
<i>Oil</i>					
Roy Over	122,955,588	128,381,857	5,426,269	4.41%	
Wkg Over	223,804,508	237,555,769	13,751,261	6.14%	
Item equip	2,734,466	2,741,322	6,856	0.25%	
<i>Gas</i>					
Roy Over	35,784,226	30,503,581	-5,280,645	-14.76%	
Wkg Over	78,889,229	74,809,321	-4,079,908	-5.17%	
Item equip	1,248,458	819,968	-428,490	-34.32%	
Total O/G	651,401,903	698,094,928	46,693,025	7.17%	1.91%

**2017 November - 2018 November
Valuation Comparison**

Statewide	Nov 2017	Nov 2018	Change	% chg	% Total
Motor vehicle	98,620,444	99,035,601	415,157	0.42%	0.27%
Com/Ind Equip	642,105,352	603,030,432	-39,074,920	-6.09%	1.65%
All Other P.P.	47,799,913	50,320,195	2,520,282	5.27%	0.14%
Boat, Marine	206,818	163,377	-43,441	-21.00%	0.00%
Total w/o penalty	1,488,513,864	1,498,091,401	9,577,537	0.64%	
PP Penalty	29,075,042	30,610,517	1,535,475	5.28%	
Total Penalty	29,267,709	30,664,134	1,396,425	4.77%	
Total W/O Penalty	34,754,265,186	36,566,004,085	1,811,738,899	5.21%	100.00%
Total W/Penalty	34,783,532,895	36,596,668,219	1,813,135,324	5.21%	
Tag/Tax Vehicles	3,500,075,011	3,590,727,003	90,651,992	2.59%	
16/20M Vehicles	72,800,603	72,111,057	-689,546	-0.95%	
Watercraft	17,478,019	18,649,954	1,171,935	6.71%	

Exempt Valuation

Ponds	513,968	468,746	-45,222	-8.80%
Real Exempt	31,299,128,284	31,738,917,732	439,789,448	1.41%
Assd USD CapOut IRB	0	21,810,207	21,810,207	100.00%
Assd USD CapOut EDX	0	17,805,176	17,805,176	100.00%
Real IRB	2,025,735,986	2,411,176,197	385,440,211	19.03%
Real EDX	654,935,180	505,638,102	-149,297,078	-22.80%
PP IRB	41,572,535	31,554,657	-10,017,878	-24.10%
PP EDX	2,756,668	1,806,881	-949,787	-34.45%
20K Res. Real	2,249,665,453	2,262,583,379	12,917,926	0.57%
20K Res. Pers	38,431,083	36,913,481	-1,517,602	-3.95%
Total 20K Exempt	2,288,096,536	2,299,496,860	11,400,324	0.50%

USD ExmptTax

Res. Real	\$45,251,668
Res. Pers	\$738,270
Total Exempt	\$45,989,937