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**MEMORANDUM**

**TO:** County Appraisers, County Clerks, County Treasurers and Register of Deeds

**FROM:** Tony R. Folsom, Deputy Director

**DATE:** June 12, 2009

**SUBJECT:** 2009 Legislation Pertaining to Property Valuation and Assessment Laws

Below is a summary by bill number of each bill.

**Senate Bill 35**

- Amends K.S.A. 2008 Supp. 12-17,166 (j) to remove the requirement that a county appraiser is to certify the amount of increased assessed valuation of real and personal property within a STAR bond project district on or before July 1 of each year. *SB 35 Section 2.*

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**House Substitute for Senate Bill 98**

- Renews for the 2009-2010 and 2010-2011 school years the 20 mill school levy and extends the residential property tax exemption of up to \$20,000 of appraised valuation from the school levy for the 2010 and 2011 tax years. *H Sub for SB 98 Sections 1 and 2.*
- Amends K.S.A. 2008 Supp. 79-503a to require that county appraisers in arriving at fair market value of Section 42 housing take into consideration restrictions imposed by the state or federal government and local governing bodies, the rental values restricted by the state or federal government or local governing bodies and the restrictions or requirements imposed upon the use of real estate by the state or federal government. Effective July 1, 2009 and will apply for the 2010 valuation year. *H Sub for SB 98 Section 3.*
- Amends the definition of public utility in K.S.A. 2008 Supp. 79-5a01 to include marketers and other entities which own, broker or market natural gas inventories stored for resale in underground formations in Kansas. Effective July 1, 2009 and applies to all tax years commencing after December 31, 2008. *H Sub for SB 98 New Section 4 and Section 5.*

### **Senate Bill 228**

- Amends K.S.A. 2008 Supp. 79-201 *Second* and K.S.A. 2008 Supp. 79-201a *Second* to provide an exemption for leased vehicles if leased for a period of at least one year. The amendments will exempt vehicles that are leased for at least one year if they are otherwise actually and regularly used exclusively for literary, educational, scientific, religious, benevolent or charitable purposes (K.S.A. 2008 Supp. 79-201 *Second*) or if they are otherwise used exclusively by the state or any municipality or political subdivision of the state (K.S.A. 2008 Supp. 79-201a *Second*). The owner (lessor) of the vehicles will have to file an application for exemption with the county appraiser's office which will complete the county appraiser comment section and then forward the exemption application to the Court of Tax Appeals for a decision. Effective July 1, 2009 and applies to all tax years after December 31, 2009. *SB 228 Sections 1 and 2.*

### **House Bill 2155**

- Authorizes any city governing body to establish or dissolve a city land bank. *HB 2155 Section 2.*
- Any property owned by the land bank is exempt from ad valorem property taxes. *HB 2155 Section 9 (a).*
- Special assessments levied by a municipality on property owned by a land bank are not waived. However, no payment of special assessments is required until the land bank sells or conveys the property. Any municipality that has levied special assessments may abate part or all of the special assessments. *HB 2155 Section 9 (a) – (d).*
- County treasurer is required to remove from the tax rolls all taxes and other charges due on the property when it is acquired by the land bank. *HB 2155 Section 9 (b).*