

*Suggested amendment to statutorily exempt federally railbanked trails from taxation.*

Session of 2012

**HOUSE BILL No. 2735**

By Committee on Transportation

2-10

1 AN ACT concerning property taxation; relating to valuation of federally  
2 railbanked rights-of-way.

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

5 Section 1. It shall be the duty of the county, the district appraiser or  
6 the director of property valuation to value exempt all property within a federally  
7 railbanked right-of-way. The value of the land and improvements shall be  
8 entered on the assessment role in a single aggregate, except as hereinafter  
9 provided. All interest in and improvements upon the right-of-way shall be  
10 assessed exempt from taxes as owned by the trail operator from the date of issuance of a  
11 notice of interim trail use contemplated by 16 U.S.C. § 1247(d) and 49  
12 C.F.R. § 1152.29. ~~The taxing authority shall assess, levy and~~  
13 ~~collect any and all right-of-way taxes directly from the trail operator~~  
14 ~~during any NITU or CITU, extensions therefrom and subsequent to~~  
15 ~~execution of a railbanking agreement between the railroad and the initial~~  
16 ~~trail operator.~~

17 ~~In the event that a railbanking agreement is not consummated by the~~  
18 ~~railroad and the trail operator securing the NITU or a trail operator vacates~~  
19 ~~a NITU, the railroad shall have 60 days from the date of the expiration of~~  
20 ~~the NITU or CITU to file a notice of consummation of abandonment~~  
21 ~~pursuant to 49 C.F.R. § 1152.29(e) with the STB. If the railroad fails to~~  
22 ~~file the notice, the taxes shall be assessed, levied and collected directly~~  
23 ~~from the railroad from the date of the expiration until full abandonment of~~  
24 ~~the right-of-way or issuance of another NITU or CITU. The initial trail~~  
25 ~~operator shall remain responsible for payment of all taxes after the transfer~~  
26 ~~of its interest to another operator, unless the successor trail operator is~~  
27 ~~authorized by the STB.~~

28 Sec. 2. This act shall take effect and be in force from and after  
29 its publication in the statute book.