

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

The Committee on **Taxation** recommends **HB 2609** be amended on page 1, in line 12, by striking all after "amounts"; by striking all in lines 13 through 15; in line 16, by striking all before "from"; in line 17, by striking all following the second "fund"; by striking all in lines 18 through 20; in line 21, by striking all before "\$22,500,000" and inserting "of"; in line 22, by striking "year 2015"; also in line 22, before "and" by inserting "years 2013 and 2014, \$20,250,000 during fiscal year 2015 and \$27,000,000 during fiscal year 2016";

On page 2, following line 2, by inserting:

"New Sec. 2. (a) Subject to the provisions of K.S.A. 79-2925b, and amendments thereto, if the total taxable real property valuation in any municipality increases due to increases in the assessed valuation of existing real property, then the governing body shall lower the mill levy rate to such rate that would equal the amount of *ad valorem* property taxes levied in the next preceding year. This subsection shall not apply to *ad valorem* taxes levied under K.S.A. 72-6431, 76-6b01 and 76-6b05, and amendments thereto, or any other *ad valorem* tax levy which was previously approved by the voters of such municipality. Property that, in the current year, is new construction, is located within added jurisdictional territory, or has changed in use shall not be considered when determining whether the total taxable real property valuation has increased from the prior year.

(b) If the total taxable real property valuation in any municipality decreases, then the governing body may increase the mill levy rate, subject to any statutory restrictions, to a rate that would equal the amount of *ad valorem* property taxes levied in the next preceding year.

(c) The provisions of subsection (a) shall not apply to or limit the levy of *ad valorem* taxes for the payment of principal and interest on bonds, temporary notes and no-fund warrants or judgments rendered against any such taxing subdivision.

(d) For the purpose of this section, "municipality" means any county, township, city, municipal university, school district, community college, drainage district and any other taxing district or political subdivision which levies taxes on property.

Sec. 3. K.S.A. 2011 Supp. 79-2925b is hereby amended to read as follows: 79-2925b. (a) ~~Without adoption of a resolution or ordinance so providing, the governing body of any taxing subdivision shall not approve~~ The governing body of any taxing subdivision shall adopt a resolution or ordinance approving any appropriation or budget, as the case requires, which may be funded by revenue produced from property taxes, and which provides for funding with such revenue in an amount exceeding that of the next preceding year, except with regard to revenue produced and attributable to the taxation of: (1) New improvements to real property;

(2) increased personal property valuation, other than increased valuation of oil and gas leaseholds and mobile homes;

(3) property located within added jurisdictional territory; and

(4) property which has changed in use.

(b) The provisions of this section shall be applicable to all fiscal and budget years commencing on and after the effective date of this act.

~~(c) The provisions of this section shall not apply to community colleges or unified school districts.~~

~~(d)~~ The provisions of this section shall not apply to revenue received from property tax levied for the sole purpose of repayment of the principal of and interest upon bonded indebtedness, temporary notes and no-fund warrants.

(d) Any resolution adopted pursuant to this section shall be published in the official county newspaper of the county where such taxing subdivision is located.;

And by renumbering sections accordingly;

Also on page 2, in line 3, after "Supp." by inserting "79-2925b and"; also in line 3, by striking "is" and inserting "are";

On page 1, in the title, in line 2, after "fund;" by inserting "relating to revenues produced by property tax levies; mill levy adjustments; resolutions, publication requirements;"; also in line 2, after "Supp." by inserting "79-2925b and"; in line 3, by striking "section" and inserting "sections"; and the bill be passed as amended.

Chairperson