

SESSION OF 2012

**SUPPLEMENTAL NOTE ON HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 59**

As Recommended by House Committee on  
Taxation

**Brief\***

House Sub. for SB 59 would clarify for property tax purposes the classification of certain commercial and industrial machinery and equipment.

Such machinery and equipment which was subject to and approved for abatement and exempted, or classified as personal property as of July 1, 2006, would be deemed as personal property and could not be reclassified to any other property tax class or subclass.

Other commercial and industrial machinery and equipment acquired on or after January 1, 2011, that qualifies for the statutory exemption for such property could not subsequently lose its exemption by virtue of its attachment, annexation or adaption to real estate. This latter provision would sunset on July 1, 2014.

**Background**

The original SB 59 from 2011 dealt with the interest rate on delinquent property taxes, the subject matter of which was addressed in other legislation enacted later that session. The House Taxation Committee on May 3, 2012 removed the bill's original provisions, recommended that a substitute bill be created, and inserted the aforementioned provisions relating to property taxation.

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

A fiscal note on the substitute bill was not immediately available.