

Senate Assessment and Taxation Committee
Senator Caryn Tyson, Chair
Senate Bill 279

Sean Robertson-Saline County Appraiser
SB279-Support



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Caryn Tyson-Chair
SB279

KSA 79-201*ninth* currently allows an exemption from property taxation if a property is used by a community service organization for the predominant purpose of providing humanitarian services, and the property is owned by a corporation organized as not-for-profit.

The Kansas Board of Tax Appeals has ruled recently (conflicting with many prior rulings) that a property owned by a limited liability company, which otherwise meets all of the criteria to be exempt, cannot be granted an exemption from property taxes because “the applicant is a limited liability company and not a corporation.”

Though this strict interpretation of the statute is correct, I do not believe the intent of KSA 79-201*ninth* is to exclude a property owned by an LLC from exemption when it meets all the other criteria to be exempt.

In fact, Kansas enacted the Limited Liability Company Act (which established limited liability companies as a recognized legal entity) in 1990, while KSA 79-201*ninth* existed in its current form many years, and likely decades, before that.

In simple terms, LLCs did not even exist at the time KSA 79-201*ninth* was first published, so the statute could not have meant to exclude LLCs from exemption.

I wholeheartedly support SB279, and urge this committee to support it as well.

Sean Robertson
Saline County Appraiser