

79-201k. Property exempt from taxation; purpose; business aircraft. (a) It is the purpose of this section to promote, stimulate and develop the general welfare, economic development and prosperity of the state of Kansas by fostering the growth of commerce within the state; to encourage the location of new business and industry in this state and the expansion, relocation or retention of existing business and industry when so doing will help maintain or increase the level of commerce within the state; and to promote the economic stability of the state by maintaining and providing employment opportunities, thus promoting the general welfare of the citizens of this state, by exempting aircraft used in business and industry, from imposition of the property tax or other ad valorem tax imposed by this state or its taxing subdivisions. Kansas has long been a leader in the manufacture and use of aircraft and the use of aircraft in business and industry is vital to the continued economic growth of the state.

(b) The following described property, to the extent herein specified, is hereby exempt from all property or ad valorem taxes levied under the laws of the state of Kansas:

First. For all taxable years commencing after December 31, 2002, all aircraft used predominantly to earn income for the owner in the conduct of the owner's business or industry. If the owner's business or industry is the leasing of aircraft, the lessee's use of the aircraft shall not be considered in determining this exemption. The term "predominantly" means: (1) At least 80% of the total use of the aircraft; or (2) utilization of the aircraft such that all of the aircraft costs are deductible for federal income tax purposes. The term "aircraft" shall not include lightweight roadable vehicles, as defined by K.S.A. 8-126, and amendments thereto.

History: L. 1982, ch. 390, § 4; L. 1988, ch. 374, § 3; L. 2004, ch. 171, § 2; L. 2011, ch. 66, § 4; July 1.