

*As Amended by Senate Committee*

Session of 2021

**SENATE BILL No. 13**

By Senators Tyson, Alley, Baumgardner, Erickson, Fagg, Hilderbrand, Kerschen,  
Longbine, Peck, Steffen, Thompson and Warren

1-8

1 AN ACT concerning property taxation; relating to tax levy rates,  
2 establishing notice and public hearing requirements prior to approval  
3 by a governing body to exceed its revenue neutral rate and  
4 discontinuing the city and county tax lid; prohibiting valuation increase  
5 of real property solely as the result of normal repair, replacement or  
6 maintenance; establishment of a payment plan for the payment of  
7 delinquent or nondelinquent taxes; amending K.S.A. 79-1460, 79-1801,  
8 79-2024 and 79-2925c and repealing the existing sections.  
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10 *Be it enacted by the Legislature of the State of Kansas:*

11 New Section 1. (a) On or before June 15 each year, the county clerk  
12 shall calculate the revenue neutral rate for each taxing subdivision and  
13 include such revenue neutral rate on the notice of the estimated assessed  
14 valuation provided to each taxing subdivision for budget purposes. The  
15 director of accounts and reports shall modify the prescribed budget  
16 information form to show the revenue neutral rate.

17 (b) No tax rate in excess of the revenue neutral rate shall be levied by  
18 the governing body of any taxing subdivision unless a resolution or  
19 ordinance has been approved by the governing body according to the  
20 following procedure:

21 (1) The governing body shall publish notice of its proposed intent to  
22 exceed the revenue neutral rate on the website of the governing body, if the  
23 governing body maintains a website, at least 10 days in advance of the  
24 public hearing. The notice shall include, but not be limited to, its proposed  
25 tax rate, its revenue neutral rate and the date, time and location of the  
26 public hearing.

27 (2) On or before July 15, the governing body shall notify the county  
28 clerk of its proposed intent to exceed the revenue neutral rate and provide  
29 the date, time and location of the public hearing and its proposed tax rate.  
30 The county clerk shall notify each taxpayer with property in the taxing  
31 subdivision, by mail directed to the taxpayer's last known address, of the  
32 proposed intent to exceed the revenue neutral rate at least 10 days in  
33 advance of the public hearing. Alternatively, the county clerk may transmit  
34 the notice to the taxpayer by electronic means at least 10 days in advance  
35 of the public hearing, if such taxpayer and county clerk have consented in

1 construction or remodeling of buildings.

2 (4) The property tax revenues levied by the city or county have  
3 declined:

4 (A) In one or more of the next preceding three calendar years and the  
5 increase in the amount of funding for the budget or appropriation from  
6 revenue produced from property taxes does not exceed the average amount  
7 of funding from such revenue of the next preceding three calendar years,  
8 adjusted to reflect changes in the consumer price index for all urban  
9 consumers as published by the United States department of labor for the  
10 preceding calendar year; or

11 (B) the increase in the amount of ad valorem tax to be levied is less  
12 than the change in the consumer price index plus the loss of assessed  
13 property valuation that has occurred as the result of legislative action,  
14 judicial action or a ruling by the board of tax appeals.

15 (5) Whenever a city or county is required by law to levy taxes for the  
16 financing of the budget of any political or governmental subdivision of this  
17 state that is not authorized by law to levy taxes on its own behalf, and the  
18 governing body of such city or county is not authorized or empowered to  
19 modify or reduce the amount of taxes levied therefore, the tax levies of the  
20 political or governmental subdivision shall not be included in or  
21 considered in computing the aggregate limitation upon the property tax  
22 levies of the city or county.

23 (6) Any tax levy increase as a result of another taxing entity being  
24 dissolved and all powers, responsibilities, duties and liabilities of the  
25 taxing entity have been transferred to a city located in the county in which  
26 the taxing entity is located, or to the county in which the taxing entity is  
27 located, to carry on the function and responsibilities of the dissolved  
28 taxing entity, so long as the levy increase does not exceed the levy of the  
29 dissolved taxing entity.

30 Sec. 6. K.S.A. 79-1801, 79-2024 and 79-2925c are hereby repealed.

31 Sec. 7. On and after July 1, 2021, K.S.A. 79-1460 is hereby repealed.

32 Sec. 8. This act shall take effect and be in force from and after its  
33 publication in the Kansas register.

Insert KSA 79-2929 attached for  
Sec. 6

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Renumber sections  
accordingly

Section 6.

**79-2929. Proposed budget; amendments; public hearing; notice, publication and contents.** Prior to the filing of the adopted budget with the county clerk, the governing body of each taxing or political subdivision or municipality shall meet for the purpose of answering and hearing objections of taxpayers relating to the proposed budget and for the purpose of considering amendments to such proposed budget. The governing body shall give at least 10 days' notice of the time and place of the meeting by publication in a weekly or daily newspaper of the county having a general circulation therein. Such notice shall include the proposed budget and shall set out all essential items in the budget except such groupings as designated by the director of accounts and reports on a special publication form prescribed by the director of accounts and reports and furnished with the regular budget form. The notice of a governing body of any taxing subdivision or municipality having an annual expenditure of \$500 or less shall specify the time and place of the meeting required by this section but shall not be required to include the proposed budget of such taxing subdivision or municipality.

Such form shall also include the revenue neutral rate as provided in section 1, and amendments thereto.