

## 2021 Kansas Statutes

**75-3686. Lease of state real estate not currently required for governmental purposes; property tax exemption; application of liquor and vending facilities laws.** (a) The secretary of administration may lease real estate titled in the name of the state of Kansas or any state agency, other than real estate which is held by a state agency under the jurisdiction and control of the state board of regents or by the Kansas department of transportation, upon a finding that such real estate is not currently required for state purposes. No such lease shall be executed until the secretary of administration has consulted with and reviewed the lease with the joint committee on state building construction. Except as otherwise specifically provided by law, the state buildings operating fund shall be utilized for the operating expenses and revenues of any such leased property.

(b) Any real estate leased by the state pursuant to this section shall be exempt from ad valorem taxation as long as such property is owned by the state of Kansas and such property is:

- (1) Used by the state of Kansas or any of its agencies;
- (2) vacant;
- (3) leased by an entity exempt from the payment of ad valorem taxation; or
- (4) used for a purpose that is exempt from the payment of ad valorem taxation.

The provisions of K.S.A. 79-201 et seq., and amendments thereto, requiring the requesting and filing of property tax exemptions shall not apply to the exemption provided by this section.

(c) The only portion of state-owned property that shall not be exempt from ad valorem taxation is the actual space leased by a person or entity that is not exempt from the payment of ad valorem taxation and is not used for a tax exempt purpose. Any common area used by such a lessee that is also used by the state, an entity exempt from the payment of ad valorem taxation or used for the purpose that is exempt from the payment of ad valorem taxation, shall be exempt from ad valorem taxation.

(d) The provisions of K.S.A. 41-719, and amendments thereto, relating to alcoholic liquor and the provisions of K.S.A. 75-3337 et seq., and amendments thereto, relating to vending facilities on state property shall not be applicable to property leased pursuant to this section unless the lessee is a governmental entity.

**History:** L. 2002, ch. 200, § 4; June 6.