

SENATE BILL No. 8

By Senator Steffen

1-3

1 AN ACT concerning property taxation; relating to personal property;
2 reducing penalties for the late filing of or the failure to file statements
3 listing property for assessment and the discovery of escaped property;
4 amending K.S.A. 79-332a, 79-1422 and 79-1427a and repealing the
5 existing sections.
6

7 *Be it enacted by the Legislature of the State of Kansas:*

8 Section 1. K.S.A. 79-332a is hereby amended to read as follows: 79-
9 332a. (a) Any person, corporation or association owning oil and gas leases
10 or engaged in operating for oil or gas who fails to make and file a
11 statement of assessment on or before April 1 shall be subject to a penalty
12 as follows:

13 (1) The appraiser shall, after having ascertained the assessed value of
14 the property of such taxpayer, add ~~5%~~ 2% thereto as a penalty for late
15 filing if the failure is not for more than one month, with an additional ~~5%~~
16 2% for each additional month or fraction thereof during which such failure
17 continues, not exceeding ~~25%~~ 10% in the aggregate.

18 (2) If the statement of assessment is filed more than one year from
19 April 1, the appraiser shall, after having ascertained the assessed value of
20 the property of such taxpayer, add ~~50%~~ 12.5% thereto as a penalty for late
21 filing. The county treasurer may not distribute any taxes assessed under
22 this section and paid under protest by the taxpayer pursuant to K.S.A. 79-
23 2005, and amendments thereto, until such time as the appeal is final.

24 (b) For good cause shown the county appraiser may extend the time
25 in which to make and file such statement. Such request for extension of
26 time shall be in writing and shall be received by the county appraiser prior
27 to the due date of the statement of assessment.

28 (c) Whenever any person, corporation or association owning oil and
29 gas leases or engaged in operating for oil or gas shall fail to make and
30 deliver to the county appraiser of every county wherein the property to be
31 assessed is located, a full and complete statement of assessment relative to
32 such property as required by blank forms prepared or approved for the
33 purpose by the director of property valuation to elicit the information
34 necessary to fix the valuation of the property, the appraiser shall ascertain
35 the assessed value of the property of such taxpayer, and shall add ~~50%~~
36 12.5% thereto as a penalty for failing to file such statement.

1 (d) The state board of tax appeals shall have the authority to abate
2 any penalty imposed under the provisions of this section and order the
3 refund of the abated penalty, whenever excusable neglect on the part of the
4 person, corporation or association required to make and file the statement
5 of assessment is shown, or whenever the property for which a statement of
6 assessment was not filed as required by law is repossessed, judicially or
7 otherwise, by a secured creditor and such secured creditor pays the taxes
8 and interest due.

9 Sec. 2. K.S.A. 79-1422 is hereby amended to read as follows: 79-
10 1422. (a) Any person required to file a statement listing property for
11 assessment and taxation purposes under the provisions of this act who fails
12 to make and file such statement on or before the date prescribed by K.S.A.
13 79-306, and amendments thereto, shall be subject to a penalty as follows:

14 The appraiser shall, after having ascertained the assessed value of the
15 property of such taxpayer, add ~~5%~~ 2% thereto as a penalty for late filing if
16 the failure is not for more than one month, with an additional ~~5%~~ 2% for
17 each additional month or fraction thereof during which such failure
18 continues, not exceeding ~~25%~~ 10% in the aggregate.

19 For good cause shown the appraiser may extend the time in which to
20 make and file such statement. Such request for extension of time must be
21 in writing and shall state just and adequate reasons on which the request
22 may be granted. The request must be received by the appraiser prior to the
23 due date of the statement.

24 (b) If, within one year following the date prescribed by K.S.A. 79-
25 306, and amendments thereto, any person shall fail to make and file the
26 statement listing property for assessment and taxation purposes or shall
27 fail to make and file a full and complete statement listing property for such
28 purposes, the appraiser shall proceed to ascertain the assessed value of the
29 property of such taxpayer, and for this purpose the appraiser may examine
30 under oath any person or persons whom the appraiser deems to have
31 knowledge thereof. The appraiser shall, after having ascertained the
32 assessed value of such property, add ~~50%~~ 12.5% thereto as a penalty for
33 failure to file such statement or for failure to file a full and complete
34 statement.

35 (c) The state board of tax appeals shall have the authority to abate any
36 penalty imposed under the provisions of this section and order the refund
37 of the abated penalty, whenever excusable neglect on the part of the person
38 required to make and file the statement listing property for assessment and
39 taxation purposes is shown, or whenever the property for which a
40 statement of assessment was not filed as required by law is repossessed,
41 judicially or otherwise, by a secured creditor and such secured creditor
42 pays the taxes and interest due.

43 Sec. 3. K.S.A. 79-1427a is hereby amended to read as follows: 79-

1 1427a. (a) If, the county appraiser discovers, after the tax roll has been
2 certified to the county clerk, that any tangible personal property subject to
3 taxation has been omitted from the tax rolls, the county clerk shall place
4 such property on the tax roll as an added tax, or if, after one year from the
5 date prescribed by K.S.A. 79-306, and amendments thereto, for the listing
6 of tangible personal property, the county appraiser discovers that any
7 tangible personal property ~~which that~~ was subject to taxation in any year
8 or years within two years next preceding January 1 of the calendar year in
9 which it was discovered has not been listed or has been underreported for
10 whatever reason, such property shall be deemed to have escaped taxation.
11 In the case of property ~~which that~~ has not been listed, it shall be the duty
12 of the county appraiser to list and appraise such property and, for an added
13 tax, add penalties as prescribed in K.S.A. 79-1422, and amendments
14 thereto, and ~~which that~~ shall be designated on the appraisal roll as an
15 added appraisal for that year. In the case of property ~~which that~~ has
16 escaped taxation, it shall be the duty of the county appraiser to list and
17 appraise such property and add ~~50%~~ 12.5% thereto as a penalty for
18 escaping taxation for each such year during which such property was not
19 listed, and it shall be designated on the appraisal roll as "escaped
20 appraisal" for each such preceding year or years. In the case of property
21 ~~which that~~ has been listed but underreported, it shall be the duty of the
22 county appraiser to list and appraise the underreported portion of such
23 property and add ~~50%~~ 12.5% thereto as a penalty for escaping taxation for
24 each such year during which such property was underreported, and it shall
25 be designated on the appraisal roll as "escaped appraisal" for each such
26 preceding year or years. The county clerk, upon receipt of the valuation for
27 such property in either of the aforementioned cases, shall place such
28 property on the tax rolls and compute the amount of tax due based upon
29 the mill levy for the year or years in which such tax should have been
30 levied, and shall certify such amount to the county treasurer as an added or
31 escaped appraisal. The amount of such tax shall be due immediately and
32 payable within 45 days after the issuance of an additional or escaped
33 property tax bill by the county treasurer. The county treasurer may not
34 distribute any taxes assessed under this section and paid under protest by
35 the taxpayer pursuant to K.S.A. 79-2005, and amendments thereto, until
36 such time as the appeal is final. No interest shall be imposed unless the tax
37 remains unpaid after such 45-day period. Taxes levied pursuant to this
38 section ~~which that~~ remain unpaid after such 45-day period shall be deemed
39 delinquent and the county treasurer shall collect and distribute such tax in
40 the same manner as prescribed by law for the collection and distribution of
41 other taxes levied upon property ~~which that~~ are delinquent. If the owner of
42 such property is deceased, taxes charged as herein provided shall be levied
43 against the estate of such deceased person for only two calendar years

1 preceding death and shall be paid by the legal representative or
2 representatives of such estate. In the event that such escaped appraisal is
3 due to any willful or clerical error of the county appraiser, such property
4 shall be appraised at its fair market value and no penalty shall be added.

5 (b) A taxpayer with a grievance as to any penalty applied pursuant to
6 the provisions of this section, may appeal to the state board of tax appeals
7 on forms prepared by the state board of tax appeals and provided by the
8 county appraiser. The state board of tax appeals shall have the authority to
9 abate any penalty imposed under the provisions of this section and order
10 the refund of the abated penalty, whenever excusable neglect on the part of
11 the person required to make and file the statement listing property for
12 assessment and taxation purposes is shown, or whenever the property
13 ~~which~~ *that* has been deemed to have escaped taxation is repossessed,
14 judicially or otherwise, by a secured creditor and such creditor pays the
15 taxes and interest due. No interest shall be assessed during the pendency of
16 this appeal.

17 (c) The provisions of this section shall apply to any tangible personal
18 property discovered during the calendar years 1982, 1983, 1984 and any
19 year thereafter to have escaped appraisal and taxation during any such year
20 or any year within two years next preceding any such year.

21 Sec. 4. K.S.A. 79-332a, 79-1422 and 79-1427a are hereby repealed.

22 Sec. 5. This act shall take effect and be in force from and after its
23 publication in the statute book.