

FAQs – Frequently Asked Questions

1. **What is personal property?**

Personal property is "...every tangible thing which is the subject of ownership, not forming part or parcel of real property". [K.S.A. 79-102]

2. **What personal property is taxable?**

By law, **all** property in this state, **not expressly exempt**, is subject to taxation. [K.S.A. 79-101]

3. **Why is personal property taxed in Kansas?**

To provide funding for roads, parks, fire protection, police protection, health, public school districts, and other services.

4. **What is a rendition?**

A Rendition is an [Ad Valorem Tax Return](#), also referred to as a Rendition, Worksheet, or Statement of Personal Property and is used to report tangible personal property to the County Appraiser on a yearly basis.

5. **How is personal property appraised?**

All personal property, except certain motor vehicles and commercial/industrial machinery and equipment, is appraised at "market value" as of the first day of January each year. Market value is the amount of money a well-informed buyer would pay, and a well-informed seller would accept for property in an open and competitive market without any outside influence. Certain motor vehicles and commercial/industrial machinery and equipment are appraised using a value-based method, however it is not "market value".

6. **How is personal property classified and assessed in Kansas?**

Article 11, Section 1 of The Kansas Constitution provides that: Tangible personal property shall be classified into six subclasses and assessed uniformly by subclass at the following assessment percentages:

1. **Manufactured/Mobile homes used for residential purposes...11½%**
2. **Mineral leasehold interests except oil leasehold interests the average daily production from which is five barrels or less, and natural gas leasehold interests the average daily production from which is 10 mcf or less, which shall be assessed at 25%...30%**
3. **Public utility tangible personal property including inventories thereof, except railroad personal property, including inventories thereof, which shall be**

assessed at the average rate all other commercial and industrial property is assessed...33%

4. All categories of motor vehicles not defined and specifically valued and taxed pursuant to law enacted prior to 1985...30%
5. Commercial and industrial machinery and equipment which, if its economic life is seven years or more, shall be valued at its retail cost when new less seven-year straight-line depreciation, or which, if its economic life is less than seven years, shall be valued at its retail cost when new less straight-line depreciation over its economic life, except that, the value so obtained for such property, notwithstanding its economic life and, as long as such property is being used, shall not be less than 20% of the retail cost when new of such property...25%
6. All other tangible personal property not otherwise specifically classified...30%
This classification is only applicable to non-highway titled motor vehicles and motor vehicles operated over 24,000 pounds on public roads. Motor vehicles operated under 12,000 pounds on public roads and "recreational vehicles" are appraised, assessed, and taxed pursuant to statute (Kansas 79-5100 series).
7. Watercraft, defined as each watercraft may include one trailer which is designed to launch, retrieve, transport, and store such watercraft and any nonelectric motor or motors which are necessary to operate such watercraft on the water...5%

Information in this publication does not apply to state assessed property.

7. **What does the County Appraiser do?**

By law, the County Appraiser is responsible for listing and valuing property in a uniform and equal manner. The Appraiser determines the appropriate value of the property within the county.

8. **How does the County Appraiser discover taxable personal property?**

Owners of personal property are required by law to list their property as of the first day of January each year with the County Appraiser. If the owner does not list his or her property, the Appraiser has several methods for discovering property that belongs on the tax roll. Some examples are accessing information on public records, viewing the property, obtaining information from lessees and others that are required to list property they do not own, but have in their possession or control, etc. [K.S.A. 79-1411b]

9. **Who needs to list personal property for taxation?**

KSA 79-303 states "Every person, association, company or corporation who owns or holds, subject to his or her control, any taxable personal property is required by law to list the property for assessment."

If any person, association, company, or corporation has in their possession or custody any taxable personal property belonging to others, it shall be their duty to list the property with the Appraiser in the name of the owner of the property.

10. **Who must sign the personal property rendition?**

By law, every person, association, company, or corporation required to list property must personally sign the rendition. In addition, if a tax preparer completes the rendition, the preparer must also sign and certify that the information is true and correct. [K.S.A. 79-306]

11. **When and where does a taxpayer file a rendition?**

K.S.A. 79-306 requires all taxable personal property to be listed, by the taxpayer, on a rendition (also referred to as a 'statement of personal property') and filed with the County Appraiser on or before March 15th of each year, or the next following business day, if such date falls on a day other than a regular business day. Oil and gas renditions are to be filed on or before April 1st by law, all property in this state, real and personal, not expressly exempt there from, is subject to taxation.

The County Appraiser may extend the March 15th deadline if the taxpayer submits a request in writing, stating just and adequate reasons for the extension, and is received by the County Appraiser on or before the March 15th due date, April 1st for oil and gas renditions. [K.S.A. 79-1422, K.S.A. 79-332a, and K.S.A. 79-1457]

12. **Personal Property Filing Penalties**

By law, all tangible personal property subject to taxation must be listed and assessed as of the first day of January each year in the name of the owner. Individuals, companies, and corporations that own or have tangible personal property subject to their control on January 1st, must list the property with the County Appraiser on or before March 15th. When March 15th falls on a day other than a regular business day, the first business day following the deadline is considered timely. [K.S.A. 79-301, 79-303, 79-306, 79-1457]

If personal property is not listed or if a rendition is untimely filed, the County Appraiser is required by law to apply any applicable filing penalties. These penalties are set forth in K.S.A. 79-1422 and K.S.A. 79-1427(a) as follows:

The County Appraiser has the duty of listing and appraising all tangible personal property in the county that is owned by, held, or in the possession of a business. If a taxpayer fails or refuses to file a rendition or, if the rendition filed does not truly represent all the property, the County Appraiser has the duty to investigate, identify,

list and value such property in an effort to achieve uniformity and equality. [K.S.A. 79-1411(b) and K.S.A. 79-1461]

NOTE: To avoid incurring state mandated penalties, renditions must be filed by the deadline date. Counties have no authority to abate, waive, or refund the penalty mandated by K.S.A. 79-1422. Only the Kansas Board of Tax Appeals has the authority to abate, waive, or refund the penalty.

Penalty Appeal Rights:

The State Board of Tax Appeals (BOTA) has the authority to abate any filing penalty imposed under this section and order the refund of the abated penalty. To appeal a penalty, the-property owner should obtain the proper form from the County Appraiser's office, complete the form, and submit it to the county. The County would then submit the form to the State Board of Tax Appeals for consideration (BOTA). Either party may request that BOTA rehear or reconsider its decision if such request is made within 15 days from the date of BOTA's decision.

13. **How does the County Appraiser determine personal property values?**

The County Appraiser determines the value of personal property using publications and valuation guides prescribed by the Kansas Department of Revenue, Property Valuation Division as required by state law. [K.S.A 79-1456]

14. **Do personal property values depreciate every year?**

Personal property valued at market value does not necessarily depreciate each year. Market conditions, deterioration, improvements to the property, and other factors can affect the market value. Typically, personal property valued with a formula driven calculation will depreciate each year, or until a minimum value is reached.

15. **How does the County's appraisal affect taxes?**

If a property value goes up, it does not necessarily mean the taxes will increase. Likewise, if a property value goes down or does not change, it does not automatically mean the taxes will decrease or remain the same. The amount of property taxes depends on the budgets set by local government, special assessments and an amount distributed to public schools. Changes in property taxes are based in large part on how much the local government decides to spend on services each year. If values overall go up but local spending remains the same, the mill levy (tax rate) should be lower and therefore have little effect on the tax bill.

16. **When are taxpayers notified of the value of their personal property?**

Notices of value for personal property are sent to the owner by May 1 each year. [K.S.A. 79-1460]

17. **What can property owners do if they believe their personal property value is too high?**

There are two ways property owners may challenge or "appeal" their personal property values.

1) The "notice of value" may be appealed by contacting the County Appraiser's office by May 15th to schedule an informal meeting with an Appraiser. [K.S.A. 79-1448]

OR

2) After receiving the tax statement, the owner may file a "payment under protest" form with the County Treasurer at the time the taxes are paid. If all the taxes are paid prior to December 20th, the protest can be made no later than December 20th (or by January 31st if the taxes are paid from an escrow account or by a tax service). [K.S.A. 79-2005]

Taxpayers can NOT appeal the notice of value AND pay the taxes under protest for the same property in the same tax year. [K.S.A. 79-2005(b)]

18. **What takes place at the appeal hearing?**

Before or during the informal hearing, the property owner should review the property record for accuracy of property information. The Appraiser will demonstrate how the appraised value was determined for the property. The property owner should present information and documentation to support the value he or she believes should be on the property. The Appraiser will review and evaluate all information and documentation presented at the hearing. A "hearing result letter" with the Appraiser's final determination of value will be mailed to the property owner. If the owner is still not satisfied with the appraised value, he or she may further appeal to the State Board of Tax Appeals. [K.S.A. 79-1448, 79-2005]

19. **How are personal property taxes calculated?**

The *appraised value* of the property is multiplied by the *assessment rate* (determined by the personal property subclass) for the *assessed value*. The *assessed value* is then multiplied by the *mill levy* (tax rate) for the tax unit where the property was located as of the assessment date (January 1). That figure is divided by 1,000 for the full year *property tax* amount.

Example: To calculate the property tax on personal property with an appraised value of \$5,000:

Appraised Value 5,000 x Assessment Rate *30% = Assessed Value 1,500 x Mill Levy **126.635 / 1000 = Property Tax \$189.95.

** 30% is the assessment rate for property in the "motor vehicle" or "other" subclass of personal property.*

**** 126.635 is the mill levy being used for representation purposes only and does not reflect an actual Linn County mill levy. Contact the Linn County Clerk to determine the correct mill levy to use for where your property is/was in the county.**

20. **What is the mill levy?**

The mill levy is the *tax rate* that is applied to the assessed value of the property. In general terms, the mill levy is computed by dividing the dollars needed for local services by the taxable assessed value in the service area. In addition, the Unified School Districts of Kansas levy 20 mills for the school general fund. Capital outlay and local option budgets are levied as necessary. After the local government budgets are published and meetings are completed in August of each year, the County Clerk computes the final mill levies for each tax unit and certifies the tax roll to the County Treasurer for collection.

21. **Who is responsible for the taxes due on property that was sold or purchased during the year?**

Except for motor vehicles, and watercraft due to being prorated on and off the tax roll, personal property taxes are the responsibility of the owner of record on January 1 of each year.

22. **Are property taxes prorated between buyer and seller?**

No, the County Treasurer does not prorate any property taxes between the buyer and seller.

However, private contracts between buyers and sellers will often prorate the property tax. The only exceptions to this are for motor vehicles, watercraft and when taxable property becomes exempt or exempt property becomes taxable.

23. **Are personal property taxes prorated?**

Generally, personal property is not prorated onto the tax roll when it is acquired, and it is not prorated off the tax roll when disposed of. The only exceptions are for motor vehicles, watercraft; taxable personal property that becomes exempt during the year or exempt personal property that no longer qualifies for exemption.

24. **I sold my property during the year; do I still need to fill out a rendition?**

Yes, if you close your business, sell, or dispose your taxable personal property you must still file a form the following year so we can remove those items from the tax roll. The Appraiser's Office cannot remove property from the tax roll without

a signature on file from a property owner verifying the property is no longer owned by them.

25. **When are personal property taxes due?**

The full amount or the first half of the taxes for personal property assessed on the tax roll is due by December 20th each year. The second half of the taxes are due by May 10th of the following year. If the first half of the personal property taxes are not paid by December 20th, then the *full amount* becomes due immediately and you no longer have the option of paying the second half by May 10th.

Taxes for motor vehicles that are registered with a tag weight of 12,000 pounds or less and taxes for Kansas RV titled recreational vehicles, are due in full at time of registration or renewal. [K.S.A. 79-5107, 5119]

Whenever the aggregate amount of tax owed for tangible personal property by any taxpayer is less than \$5, the tax is cancelled, and no personal property tax statement is issued. This applies only to the tax amount due, not the value of the personal property. [K.S.A. 79-344]

26. **Where can taxpayers find additional information about property taxation?**

Here are some links:

- [Guide to Valuation Appeal Process - Equalization Appeals \(pdf\)](#)- An informational pamphlet to assist taxpayers with preparing for their property appeal meetings and hearings for all property types **except** ag land.
- [Guide to Valuation Appeal Process - Payment Under Protest Appeals \(pdf\)](#)- A guide for counties without a hearing Officer or Panel. Most counties fall in this category.
- [Kansas Board of Tax Appeals](#) – Provides resources on appeals and exemptions for Kansas residents.
- [Kansas Property Valuation Division](#)– This division of the Kansas Department of Revenue supervises statewide appraisals and provides useful information.