

# Real Property

## Appraisal Process

Throughout the year, information about each property is collected and reviewed, sales analyzed, and appraisal models are refined for the annual appraisal.

## Classification Types

The Constitution of the State of Kansas requires that property be classified according to its use for property tax purposes.

The classes of property are:

- **Residential Property** is used for long-term residences whether it is a single-family dwelling, apartment complex, or a long-term adult-care facility. The assessment level of this class of property is 11.5%.
- **Agriculture Use Property** is land and buildings devoted to agricultural uses. Agriculture land is assessed at 30% of its use value appraisal. Agriculture buildings are assessed as any other commercial building at 25%.
- **Vacant Lots** is the classification for land with no beneficial improvements. The assessment level for vacant land is 12%.
- **Not-for-Profit Property** owned and operated by organizations not subject to federal income taxes pursuant to certain 501 sections of the federal internal revenue codes. Not-for-profit property is assessed at 12% of its market value.
- **Public Utility Property** is property owned and operated by a public utility such as telephone or electric utilities excepting railroad property. Public utility property is assessed at 33% of its appraised value using an income approach by the Kansas Department of Revenue.
- **Commercial Property** is the classification of parcels with commercial or industrial use. The assessment level of commercial property is 25% of market value.
- **Other Property** that is not otherwise specifically sub-classified is classified as other property. This class of property is assessed at 30% of market value. They are further classified as rural or urban.

## How Real Property is Appraised

Real property is appraised for tax purposes at 100% of its fair market value utilizing the cost, income, and comparable sales approaches to value with the exception of agricultural land.

Agricultural land is appraised for taxes at its use value based on its income producing capability. It is also appraised at its fair market value. However, the fair market value is not used as a tax basis. The Property Valuation Division assigns the use values to agricultural land, and more information concerning ag use can be found [here](#).

## Special Circumstances

Review the special circumstances that exist:

### **Incomplete New Construction**

The appraisal date for all real estate parcels is January 1 of each year. The amount of construction completed as of that date is estimated and appraised. In Kansas, a property does not have to be complete to be included in the tax basis. If a structure has not been started until after January 1 and has any or all of the structure completed during that year, it is not appraised for tax purposes until the following year.

### **Demolition or Disaster During the Year**

The date of ad valorem appraisals is January 1 of each year. If a property is damaged or destroyed during the year, the appraisal for taxes is not adjusted. If it is still damaged on January 1 of the following year, the property is appraised in its damaged state.