

Approved by the Judicial Council December 4, 2009

MEMORANDUM

TO: Kansas Judicial Council

FROM: Probate Law Advisory Committee

DATE: December 4, 2009

RE: Removing Reference to "Inheritance Tax" from the Kansas Statutes

In 2001, the Legislature amended K.S.A. 79-15,119 to "sunset" the inheritance tax act. The amended language is found in Chapter 63, Section 1 of the 2001 Session Laws. It reads:

"The provisions of K.S.A. 2001 Supp. 79-15,100 through 79-15,199, and amendments thereto, shall be applicable to the estates of all decedents dying after June 30, 1998. The provisions of article 15 of chapter 79 of the Kansas Statute Annotated in effect immediately before the effective date of the Kansas estate tax act shall be applicable to the estates of all decedents dying before July 1, 1998, for which an inheritance tax return is not filed with the director before July 1, 2008, no liability which may have been imposed if the return was so filed by such accrue to either the estate or the distributees of the estate."

The Probate Law Advisory Committee has removed reference to the inheritance tax from the probate forms in recent years. The Committee found that, although the inheritance was repealed as to decedents dying on or after July 1, 1998, and "sunset" on July 1, 2008, reference to the tax still appears in the statutes.

The attached Legislation repeals reference to the inheritance tax in the Kansas statutes. It should be noted that a few references to inheritance tax remain in the statutes. The references that remain generally refer to the inheritance tax of other states.

In addition, "sunset" language for the pick-up tax is included in new section 1 of the bill and "sunset" language for the estate tax is included in new section 2 of the bill.

New Section 1. The provisions of K.S.A. 79-15,100 through 79-15,119, and amendments thereto, applicable to the estates of all decedents dying after June 30, 1998 and before January 1, 2007, shall only apply to estates for which an estate tax return was filed before January 1, 2017. In the event no estate tax return has been filed with the director before January 1, 2017, no liability which may have been imposed if the return was filed by such date shall accrue to either the estate or the distributees of the estate.

New Section 2. The provisions of K.S.A. 79-15,201 through 79-15,253, and amendments thereto, applicable to the estates of all decedents dying after December 31, 2006 and before January 1, 2010, shall only apply to estates for which an estate tax return was filed before January 1, 2020. In the event no estate tax return has been filed with the director before January 1, 2020, no liability which may have been imposed if the return was filed by such date shall accrue to either the estate or the distributees of the estate.

Sec. 3. K.S.A. 12-195. Same; use of proceeds for payment of bonds prohibited; exceptions. (a) Except as otherwise provided in K.S.A. 12-195b, 12-1774, 12-17,103 and K.S.A. 2001 Supp. 74-8924, and amendments thereto, or subsection (b), no city or county shall commit any of the funds or proceeds derived from a retailers' sales tax as a guarantee for the payment of bonds issued by such city or county or the Kansas development finance authority.

(b) Any city or county which is the recipient of funds derived from a local option sales tax pursuant to K.S.A. 12-187 *et seq.*, and amendments thereto, is hereby authorized to issue revenue bonds to provide for the payment of all or any portion of the cost of public facilities or improvements of such city or county for which such city or county is authorized pursuant to the constitution or laws of this state to issue general obligation bonds and to pledge revenues received from countywide or city retailers' sales taxes for the payment thereof. No such bonds shall be issued for the payment of all or any portion of the cost of any facilities or improvements to be used for commercial or retail purposes, except that such prohibition shall not apply to revenue bonds issued for the payment of the cost of constructing or improving a convention or exposition hall or center or public auditorium. In the event the governing body of a city or county proposes to issue such bonds, and the question of pledging the revenues received from the countywide or city retailers' sales tax has not previously been submitted to and approved by the voters of the city or county, such proposition shall be published once each week for two consecutive weeks in the official city or county newspaper, as the case requires. If, within 30 days after the last publication of the proposition, a petition is filed with the county election officer signed by not less than 4% of the electors of the city or county, as the case requires, who voted for the office of secretary of state at the last preceding general election for such office requesting an election thereon, no such bonds shall be issued unless the proposition is submitted to and approved by a majority of the voters of the city or county, as the case requires, voting at an election held thereon. Any such election shall be called and held in accordance with the provisions of K.S.A. 10-120, and amendments thereto, or in accordance with the provisions of the mail ballot election act.

(1) Such bonds shall be authorized by ordinance of the governing body of such city or resolution of the governing body of such county. The bonds may be issued as registered bonds or coupon bonds, payable to bearer, and, if coupon bonds, may be registrable as to principal only or as to principal and interest, and may be made exchangeable for bonds of another denomination or in another form. The bonds may be in such form and denominations, may have such date or dates, may be stated to mature at such time or times, may bear interest payable at such times and at such rate or rates, may be payable at such places within or without the state, may be subject to such terms of redemption in advance of maturity at such prices, and may contain such terms and conditions, all as the city or county shall determine. The bonds shall have all the qualities of and shall be deemed to be negotiable instruments under the laws of the state of Kansas. The authorizing ordinance or resolution may contain any other terms, covenants and conditions that the city or county deems reasonable and desirable, including without limitation those pertaining to the maintenance of various funds and reserves, the nature and extent of any security for payment of the bonds, the custody and application of the proceeds of the bonds, the collection, transfer and disposition of sales tax revenues, the investing of bond proceeds or any funds pledged to the repayment of the bonds, and the rights, duties and obligations of the city or county and the owners of the bonds.

(2) The authorizing ordinance or resolution may provide for the execution of a trust indenture between the city or county and any financial institution within or without the state of Kansas. The trust indenture may contain any terms, covenants and conditions that are deemed desirable by the city or county.

(3) Any authorizing ordinance or resolution and trust indenture relating to the issuance of and security for the bonds shall constitute a contract between the city or county and the owners of the bonds, which contract, and all covenants, agreements and obligations therein, shall be promptly performed in strict compliance with the terms and provisions of such contract, and the covenants, agreements and obligations of the city or county may be enforced by mandamus or other appropriate proceeding at law or in equity. The pledge of revenues made by the city or county shall be valid and binding from the time when such pledge is made and the revenues so pledged and thereafter received by the city or county shall immediately be subject to the lien of such pledge without such physical delivery thereof or further act on the part of the city or county, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind against the issuer, irrespective of whether such parties have notice thereof. Neither the authorizing ordinance or resolution nor any other instrument by which a pledge is created need be filed or recorded except in the records of the city or county.

(4) The revenue bonds may be sold in such manner, either at public or private sale, and upon such terms as the city or county shall determine to be reasonable, including sale at discount. It shall be plainly stated on the face of each such bond that it has been issued under this act, that the bonds shall be special obligations of the city or county, payable solely and only from the revenues pledged to the payment of the bonds and that in no event, shall the bonds constitute an indebtedness of the state of Kansas or the city or county for which the faith and credit of the state of Kansas or city or county is pledged.

(5) Any bonds issued under the provisions of this section and the interest thereon, shall be exempt from all taxes levied by the state of Kansas, or any political or taxing subdivision thereof, ~~except~~
~~inheritance taxes.~~

(6) Bonds may be issued for the purpose of refunding, either at maturity or in advance of maturity, any bonds issued under this section. Such refunding bonds may either be sold or delivered in exchange for the bonds being refunded. If sold, the proceeds may either be applied to the payment of the bonds being refunded or deposited in trust and there maintained in cash or investments for the retirement of the bonds being refunded, as shall be specified by the city or county and the authorizing ordinance or resolution or trust indenture securing such refunding bonds. The authorizing ordinance or resolution or trust indenture securing the refunding bonds may provide that the refunding bonds shall have the same security for their payment as provided for the bonds being refunded. Refunding bonds shall be sold and secured in accordance with the provisions of this act pertaining to the sale and security of the bonds.

(7) Bonds issued under the provisions of this act shall be eligible to secure the deposit of public funds under article 14 of chapter 9 of the Kansas Statutes Annotated, and amendments thereto.

(8) Bonds issued under the provisions of this act shall be in addition to and not subject to any statutory limitation of bonded indebtedness imposed on such city or county.

Sec 4. K.S.A. 12-195b. Same; pledge of proceeds for payment of bonds; conditions. The governing body of any city or county by the appropriate ordinance or resolution, may authorize the issuance of general obligation bonds to provide for the payment of all or any portion of the cost of any public facilities or improvements for which such city or county is otherwise authorized pursuant to the constitution or laws of this state to issue general obligation bonds. The governing body may pledge revenues received from countywide or city retailers' sales taxes imposed pursuant to K.S.A. 12-187 et seq., and amendments thereto, for the payment of such bonds. The pledge of revenues received from countywide or city retailers' sales taxes for payment of such bonds shall constitute an irrevocable pledge of the revenues and shall be made a lien on the revenues for the benefit of bondholders. Any bonds issued under this section shall be subject to the following requirements:

(a) Before the governing body of any city or county shall issue any general obligation bonds as authorized herein, the governing body shall cause to be prepared a comprehensive feasibility study showing that revenues received from a countywide or city retailers' sales tax would be sufficient to retire such bonds.

(b) Such bonds shall constitute a general obligation of the city or county payable from the pledged revenue received from countywide or city retailers' sales taxes and if not so paid such bonds shall be payable from ad valorem taxes which for the purpose of paying such bonds may be levied without limit as to rate or amount by the city or county, and shall be printed as provided in K.S.A. 10-112, and amendments thereto.

(c) Any bonds issued under the provisions of this section and the interest thereon, shall be exempt from all taxes levied by the state of Kansas or any political or taxing subdivision thereof, ~~except inheritance taxes.~~

(d) All bonds which are to be financed in accordance with the provisions of this section shall be subject to any statutory limitation of bonded indebtedness imposed on a city or county unless:

(1) The law authorizing the issuance of such bonds specifically excludes such bonds from any statutory limitation of bonded indebtedness;

(2) the bonds are excluded from the computation of bonded indebtedness pursuant to K.S.A. 10-307 or 10-309, and amendments thereto; or

(3) the bonds are issued by Douglas county or Sherman county.

(e) In the event the governing body of a city or county proposes to issue such bonds, and the question of issuing bonds as authorized herein has not previously been submitted to and approved by the voters of the city or county such proposition shall be published once each week for two consecutive weeks in its official newspaper. If within 30 days after the last publication of the proposition, a petition is filed with the county election officer signed by not less than 5% of the electors of the city or county who voted in the last preceding general election of the city or county, then no such bonds shall be issued unless the proposition is submitted to and approved by a majority of the voters of the city or county voting at an election held thereon. Any such elections shall be called and held in

accordance with the provisions of K.S.A. 10-120, and amendments thereto, or in accordance with the provisions of the mail ballot election act.

Sec. 5. K.S.A. 12-8,101. Same; not subject to general bond law; exempt from taxation, exception; negotiable instruments. (a) Any bonds issued under the provisions of this act shall not be subject to the general bond laws of the state of Kansas.

(b) All bonds issued in accordance with the provisions of this act and all income or interest therefrom shall be exempt from all state taxes ~~except inheritance taxes.~~

(c) All bonds issued under the provisions of this act shall be negotiable instruments under the provisions of the uniform commercial code of the state of Kansas.

Sec. 6. K.S.A. 12-1746. Same; bonds and income therefrom exempt from taxation. All revenue bonds issued by cities or counties pursuant to this act and all income or interest therefrom shall be exempt from all state taxes except inheritance taxes.

Sec. 7. K.S.A. 12-1774. Special obligation bonds and full faith and credit tax increment bonds; procedure for issuance; limitations; payment; exempt from taxation; refunding of bonds. (a)

(1) Any city shall have the power to issue special obligation bonds in one or more series to finance the undertaking of any redevelopment project or bioscience development project in accordance with the provisions of this act. Such special obligation bonds shall be made payable, both as to principal and interest:

(A) From tax increments allocated to, and paid into a special fund of the city under the provisions of K.S.A. 12-1775, and amendments thereto;

(B) from revenues of the city derived from or held in connection with the undertaking and carrying out of any redevelopment project or projects or bioscience development project or projects under this act including environmental increments;

(C) from any private sources, contributions or other financial assistance from the state or federal government;

(D) from a pledge of all of the revenue received by the city from any transient guest and local sales and use taxes which are collected from taxpayers doing business within that portion of the city's redevelopment district or bioscience development district established pursuant to K.S.A. 12-1771, and amendments thereto, occupied by a redevelopment project or bioscience development project. A city proposing to finance a major motorsports complex pursuant to this paragraph shall prepare a project plan which shall include:

(i) A summary of the feasibility study done, as defined in K.S.A. 12-1770a, and amendments thereto, which will be an open record;

(ii) a reference to the district plan established under K.S.A. 12-1771, and amendments thereto, that identifies the project area that is set forth in the project plan that is being considered;

(iii) a description and map of the location of the facility that is the subject of the special bond project or major motorsports complex;

(iv) the relocation assistance plan required by K.S.A. 12-1777, and amendments thereto;

(v) a detailed description of the buildings and facilities proposed to be constructed or improved; and

(vi) any other information the governing body deems necessary to advise the public of the intent of the special bond project or major motorsports complex plan.

The project plan shall be prepared in consultation with the planning commission of the city. Such project plan shall also be prepared in consultation with the planning commission of the county, if any, if a major motorsports complex is located wholly outside the boundaries of the city.

(E) from a pledge of a portion or all increased revenue received by the city from: (i) Franchise fees collected from utilities and other businesses using public right-of-way within the redevelopment district; (ii) from a pledge of all or a portion of the revenue received by the city from sales taxes; or

(iii) both of the above;

(F) with the approval of the county, from a pledge of all of the revenues received by the county from any transient guest, local sales and use taxes which are collected from taxpayers doing business within that portion of the redevelopment district established pursuant to K.S.A. 12-1771, and amendments thereto;

(G) by any combination of these methods.

The city may pledge such revenue to the repayment of such special obligation bonds prior to, simultaneously with, or subsequent to the issuance of such special obligation bonds.

(2) Bonds issued under paragraph (1) of subsection (a) shall not be general obligations of the city, nor in any event shall they give rise to a charge against its general credit or taxing powers, or be payable out of any funds or properties other than any of those set forth in paragraph (1) of this subsection and such bonds shall so state on their face.

(3) Bonds issued under the provisions of paragraph (1) of this subsection shall be special obligations of the city and are declared to be negotiable instruments. They shall be executed by the mayor and clerk of the city and sealed with the corporate seal of the city. All details pertaining to the issuance of such special obligation bonds and terms and conditions thereof shall be determined by ordinance of the city. All special obligation bonds issued pursuant to this act and all income or interest therefrom shall be exempt from all state taxes ~~except inheritance taxes~~. Such special obligation bonds shall contain none of the recitals set forth in K.S.A. 10-112, and amendments thereto. Such special obligation bonds shall, however, contain the following recitals, viz., the authority under which such special obligation bonds are issued, they are in conformity with the provisions, restrictions and limitations thereof, and that such special obligation bonds and the interest thereon are to be paid from the money and revenue received as provided in paragraph (1) of this subsection.

(b) (1) Subject to the provisions of paragraph (2) of this subsection, any city shall have the power to issue full faith and credit tax increment bonds to finance the undertaking of any redevelopment project in accordance with the provisions of K.S.A. 12-1770 et seq., and amendments thereto, other than a project that will create a major tourism area. Such full faith and credit tax increment bonds shall be made payable, both as to principal and interest: (A) From the revenue sources identified in paragraph (1) of subsection (a) or by any combination of these sources; and (B) subject to the provisions of paragraph (2) of this subsection, from a pledge of the city's full faith and credit to use its ad valorem taxing authority for repayment thereof in the event all other authorized sources of revenue are not sufficient.

(2) Except as provided in paragraph (3) of this subsection, before the governing body of any city proposes to issue full faith and credit tax increment bonds as authorized by this subsection, the feasibility study required by K.S.A. 12-1772, and amendments thereto, shall demonstrate that the benefits derived from the project will exceed the cost and that the income therefrom will be sufficient to pay the costs of the project. No full faith and credit tax increment bonds shall be issued unless the governing body states in the resolution required by K.S.A. 12-1772, and amendments

thereto, that it may issue such bonds to finance the proposed redevelopment project.

The governing body may issue the bonds unless within 60 days following the date of the public hearing on the proposed project plan a protest petition signed by 3% of the qualified voters of the city is filed with the city clerk in accordance with the provisions of K.S.A. 25-3601 et seq., and amendments thereto. If a sufficient petition is filed, no full faith and credit tax increment bonds shall be issued until the issuance of the bonds is approved by a majority of the voters voting at an election thereon. Such election shall be called and held in the manner provided by the general bond law.

The failure of the voters to approve the issuance of full faith and credit tax increment bonds shall not prevent the city from issuing special obligation bonds in accordance with this section.

No such election shall be held in the event the board of county commissioners or the board of education determines, as provided in K.S.A. 12-1771, and amendments thereto, that the proposed redevelopment district will have an adverse effect on the county or school district.

(3) As an alternative to paragraph (2) of this subsection, any city which adopts a redevelopment project plan but does not state its intent to issue full faith and credit tax increment bonds in the resolution required by K.S.A. 12-1772, and amendments thereto, and has not acquired property in the redevelopment project area may issue full faith and credit tax increment bonds if the governing body of the city adopts a resolution stating its intent to issue the bonds and the issuance of the bonds is approved by a majority of the voters voting at an election thereon. Such election shall be called and held in the manner provided by the general bond law.

The failure of the voters to approve the issuance of full faith and credit tax increment bonds shall not prevent the city from issuing special obligation bonds pursuant to paragraph (1) of subsection (a). Any project plan adopted by a city prior to the effective date of this act in accordance with K.S.A. 12-1772, and amendments thereto, shall not be invalidated by any requirements of this act.

(4) During the progress of any redevelopment project in which the redevelopment project costs will be financed, in whole or in part, with the proceeds of full faith and credit tax increment bonds, the city may issue temporary notes in the manner provided in K.S.A. 10-123, and amendments thereto, to pay the redevelopment project costs for the project. Such temporary notes shall not be issued and the city shall not acquire property in the redevelopment project area until the requirements of paragraph (2) or (3) of this subsection, whichever is applicable, have been met.

(5) Full faith and credit tax increment bonds issued under this subsection shall be general obligations of the city and are declared to be negotiable instruments. They shall be issued in accordance with the general bond law. All such bonds and all income or interest therefrom shall be exempt from all state taxes ~~except inheritance taxes~~. The amount of the full faith and credit tax increment bonds issued and outstanding which exceeds 3% of the assessed valuation of the city shall be within the bonded debt limit applicable to such city.

(6) Any city issuing special obligation bonds or full faith and credit tax increment bonds under the provisions of this act may refund all or part of such issue pursuant to the provisions of K.S.A. 10-116a, and amendments thereto.

(c) Any increment in ad valorem property taxes resulting from a redevelopment project in the established redevelopment district undertaken in accordance with the provisions of this act, shall be apportioned to a special fund for the payment of the redevelopment project costs, including the payment of principal and interest on any special obligation bonds or full faith and credit tax increment bonds issued to finance such project pursuant to this act and may be pledged to the payment of principal and interest on such bonds.

(d) A city may use the proceeds of special obligation bonds or full faith and credit tax increment bonds, or any uncommitted funds derived from sources set forth in this section to pay the redevelopment project costs as defined in K.S.A. 12-1770a, and amendments thereto, to implement the redevelopment project plan.

Sec. 8. K.S.A. 12-17,149. Same; bonds. (a) Any municipality may issue bonds in one or more series to finance the undertaking of any project in accordance with the provisions of this act. Such bonds shall be made payable, both as to principal and interest solely from a pledge of the sources of funds described in K.S.A. 2007 Supp. 12-17,147, and amendments thereto. The municipality may pledge such revenue to the repayment of such bonds prior to, simultaneously with or subsequent to the issuance of such bonds, except for any revenues received under the provisions of subsection (d) of K.S.A. 2007 Supp. 12-17,147 and amendments thereto, which revenues are subject to annual appropriation.

(b) Bonds issued pursuant to subsection (a) shall not be general obligations of the municipality, give rise to a charge against its general credit or taxing powers, or be payable out of any funds or properties other than any of those set forth in subsection (a) and such bonds shall so state on their face.

(c) Bonds issued pursuant to subsection (a) shall be special obligations of the municipality and are declared to be negotiable instruments. Such bonds shall be executed by the authorized representatives of the municipality and sealed with the corporate seal of the municipality. All details pertaining to the issuance of the bonds and terms and conditions thereof shall be determined by ordinance or resolution of the municipality. The provisions of K.S.A. 10-106, and amendments thereto, requiring a public sale of bonds shall not apply to bonds issued under this act. All bonds issued pursuant to this act and all income or interest therefrom shall be exempt from all state taxes ~~except inheritance taxes~~. Such bonds shall contain none of the recitals set forth in K.S.A. 10-112, and amendments thereto. Such bonds shall contain the following recitals: The authority under which such bonds are issued; that such bonds are in conformity with the provisions, restrictions and limitations thereof; and that such bonds and the interest thereon are to be paid from the money and revenue received as provided in subsection (a) such bonds shall mature in no more than 22 years.

(d) Any municipality issuing bonds under the provisions of this act may refund all or part of such issue pursuant to the provisions of K.S.A. 10-116a, and amendments thereto.

(e) Bonds issued under the provisions of this act shall be in addition to and not subject to any statutory limitation of bonded indebtedness imposed on such municipality.

Sec. 9. K.S.A. 12-17,169. Special obligation bonds and full faith and credit tax increment bonds; procedure for issuance; limitations; payment; exempt from taxation; refunding of bonds; status reports. (a) (1) Any city or county shall have the power to issue special obligation bonds in one or more series to finance the undertaking of any STAR bond project in accordance with the provisions of this act. Such special obligation bonds shall be made payable, both as to principal and interest:

(A) From revenues of the city or county derived from or held in connection with the undertaking and carrying out of any STAR bond project or projects under this act including historic theater sales tax increments;

(B) from any private sources, contributions or other financial assistance from the state or federal government;

(C) from a pledge of 100% of the tax increment revenue received by the city from any local sales and use taxes, including the city's share of any county sales tax, which are collected from taxpayers doing business within that portion of the city's STAR bond project district established pursuant to K.S.A. 2008 Supp. 12-17,165, and amendments thereto, occupied by a STAR bond project, except for amounts committed to other uses by election of voters or pledged to bond repayment prior to the approval of the STAR bond project;

(D) at the option of the county in a city STAR bond project district, from a pledge of all of the tax increment revenues received by the county from any local sales and use taxes which are collected from taxpayers doing business within that portion of the city's STAR bond project district established pursuant to K.S.A. 2008 Supp. 12-17,165, and amendments thereto, except for amounts committed to other uses by election of voters or pledged to bond repayment prior to the approval of a STAR bond project;

(E) in a county STAR bond project district, from a pledge of 100% of the tax increment revenue received by the county from any county sales and use tax, but excluding any portions of such taxes that are allocated to the cities in such county pursuant to K.S.A. 12-192, and amendments thereto, which are collected from taxpayers doing business within that portion of the county's STAR bond project district established pursuant to K.S.A. 2008 Supp. 12-17,165, and amendments thereto, occupied by a STAR bond project;

(F) from a pledge of all of the tax increment revenue received from any state sales taxes which are collected from taxpayers doing business within that portion of the city's or county's STAR bond project district occupied by a STAR bond project;

(G) at the option of the city or county and with approval of the secretary, from all or a portion of the transient guest tax of such city or county;

(H) at the option of the city or county and with approval of the secretary, (i) from a pledge of all or a portion of increased revenue received by the city or county from franchise fees collected from utilities and other businesses using public right-of-way within the STAR bond project district; or (ii) from a pledge of all or a portion of the revenue received by a city or county from local sales taxes or local transient guest and local use taxes; or

(I) by any combination of these methods.

The city or county may pledge such revenue to the repayment of such special obligation bonds prior to, simultaneously with, or subsequent to the issuance of such special obligation bonds.

(2) Bonds issued under paragraph (1) of this subsection shall not be general obligations of the city or the county, nor in any event shall they give rise to a charge against its general credit or taxing powers, or be payable out of any funds or properties other than any of those set forth in paragraph (1) of this subsection and such bonds shall so state on their face.

(3) Bonds issued under the provisions of paragraph (1) of this subsection shall be special obligations of the city or county and are declared to be negotiable instruments. Such bonds shall be executed by the mayor and clerk of the city or the chairperson of the board of county commissioners and the county clerk and sealed with the corporate seal of the city or county. All details pertaining to the issuance of such special obligation bonds and terms and conditions thereof shall be determined by ordinance of the city or by resolution of the county.

All special obligation bonds issued pursuant to this act and all income or interest therefrom shall be exempt from all state taxes ~~except inheritance taxes~~. Such special obligation bonds shall contain none of the recitals set forth in K.S.A. 10-112, and amendments thereto. Such special obligation bonds shall, however, contain the following recitals: (i) The authority under which such special obligation bonds are issued; (ii) such bonds are in conformity with the provisions, restrictions and limitations thereof; and (iii) that such special obligation bonds and the interest thereon are to be paid from the money and revenue received as provided in paragraph (1) of this subsection.

(4) Any city or county issuing special obligation bonds under the provisions of this act may refund all or part of such issue pursuant to the provisions of K.S.A. 10-116a, and amendments thereto.

(b) (1) Subject to the provisions of paragraph (2) of this subsection, any city shall have the power to issue full faith and credit tax increment bonds to finance the undertaking, establishment or redevelopment of any major motorsports complex, as defined in subsection (k) of K.S.A. 2008 Supp. 12-17,162, and amendments thereto. Such full faith and credit tax increment bonds shall be made payable, both as to principal and interest: (A) From the revenue sources identified in paragraph (1) of subsection (a) or by any combination of these sources; and (B) subject to the provisions of paragraph (2) of this subsection, from a pledge of the city's full faith and credit to use its ad valorem taxing authority for repayment thereof in the event all other authorized sources of revenue are not sufficient.

(2) Except as provided in paragraph (3) of this subsection, before the governing body of any city proposes to issue full faith and credit tax increment bonds as authorized by this subsection, the feasibility study required by subsection (b) of K.S.A. 2008 Supp. 12-17,166, and amendments thereto, shall demonstrate that the benefits derived from the project will exceed the cost and that the income therefrom will be sufficient to pay the costs of the project. No full faith and credit tax increment bonds shall be issued unless the governing body states in the resolution required by subsection (e) of K.S.A. 2008 Supp. 12-17,166, and amendments thereto, that it may issue such bonds to finance the proposed STAR bond project. The governing body may issue the bonds unless within 60 days following the conclusion of the public hearing on the proposed STAR bond project plan a protest petition signed by 3% of the qualified voters of the city is filed with the city clerk in accordance with the provisions of K.S.A. 25-3601, et seq., and amendments thereto. If a sufficient

petition is filed, no full faith and credit tax increment bonds shall be issued until the issuance of the bonds is approved by a majority of the voters voting at an election thereon. Such election shall be called and held in the manner provided by the general bond law. The failure of the voters to approve the issuance of full faith and credit tax increment bonds shall not prevent the city from issuing special obligation bonds in accordance with this section. No such election shall be held in the event the board of county commissioners or the board of education determines, as provided in K.S.A. 2008 Supp. 12-17,165, and amendments thereto, that the proposed STAR bond project district will have an adverse effect on the county or school district.

(3) As an alternative to paragraph (2) of this subsection, any city which adopts a STAR bond project plan for a major motorsports complex, but does not state its intent to issue full faith and credit tax increment bonds in the resolution required by subsection (e) of K.S.A. 2008 Supp. 12-17,166, and amendments thereto, and has not acquired property in the STAR bond project area may issue full faith and credit tax increment bonds if the governing body of the city adopts a resolution stating its intent to issue the bonds and the issuance of the bonds is approved by a majority of the voters voting at an election thereon. Such election shall be called and held in the manner provided by the general bond law. The failure of the voters to approve the issuance of full faith and credit tax increment bonds shall not prevent the city from issuing special obligation bonds pursuant to paragraph (1) of subsection (a). Any project plan adopted by a city prior to the effective date of this act in accordance with K.S.A. 12-1772, and amendments thereto, shall not be invalidated by any requirements of this act.

(4) During the progress of any major motorsports complex project in which the project costs will be financed, in whole or in part, with the proceeds of full faith and credit tax increment bonds, the city may issue temporary notes in the manner provided in K.S.A. 10-123, and amendments thereto, to pay the project costs for the major motorsports complex project. Such temporary notes shall not be issued and the city shall not acquire property in the STAR bond project area until the requirements of paragraph (2) or (3) of this subsection, whichever is applicable, have been met.

(5) Full faith and credit tax increment bonds issued under this subsection shall be general obligations of the city and are declared to be negotiable instruments. Such bonds shall be issued in accordance with the general bond law. All such bonds and all income or interest therefrom shall be exempt from all state taxes ~~except inheritance taxes~~. The amount of the full faith and credit tax increment bonds issued and outstanding which exceeds 3% of the assessed valuation of the city shall be within the bonded debt limit applicable to such city.

(6) Any city issuing full faith and credit tax increment bonds under the provisions of this subsection may refund all or part of such issue pursuant to the provisions of K.S.A. 10-116a, and amendments thereto.

(c) For each project financed with special obligation bonds payable from the revenues described in subsection (a)(1), the city or county shall prepare and submit to the secretary by October 1 of each year, a report describing the status of any projects within such STAR bond project area, any expenditures of the proceeds of special obligation bonds that have occurred since the last annual report and any expenditures of the proceeds of such bonds expected to occur in the future, including the amount of sales tax revenue, how such revenue has been spent, the projected amount of such revenue and the anticipated use of such revenue. The department of commerce shall compile this

information and submit a report annually to the governor, Kansas, Inc. and the legislature by February 1 of each year.

(d) A city or county may use the proceeds of special obligation bonds or any uncommitted funds derived from sources set forth in this section to pay the bond project costs as defined in K.S.A. 2008 Supp. 12-17,162, and amendments thereto, to implement the STAR bond project plan.

(e) With respect to a STAR bond project district established prior to January 1, 2003, for which, prior to January 1, 2003, the secretary made a finding as provided in subsection (a) of this section that a STAR bond project would create a major tourism area for the state, such special obligation bonds shall be payable both as to principal and interest, from a pledge of all of the revenue from any transient guest, state and local sales and use taxes collected from taxpayers as provided in subsection (a) of this section whether or not revenues from such taxes are received by the city.

Sec. 10. K.S.A. 12-3418. Same; exercise of powers constitutes governmental function; tax exemption for property acquired, exceptions. The exercise of the powers granted by this act will be in all respects for the benefit of the people of the state, for the increase of their commerce and prosperity, and for the improvement of their health and living conditions, and the activities and operations of a port authority will constitute the performance of essential governmental functions. No port authority shall be required to pay any taxes or assessments upon any property acquired and used by it or leased to another under the provisions of this act or upon the income therefrom, and any bonds issued under the provisions of this act, their transfer and the income therefrom (including any profit made on the sale thereof) shall at all times be free from taxation within the state except that property acquired by a port authority shall be exempt from ad valorem property tax only until the calendar year in which the same is rented, leased, subleased or developed and returns revenue to such authority in excess of the amount necessary to retire the obligations of the port authority and pay administrative costs of the port authority, and in such year such property shall be placed upon the tax rolls and thereafter ad valorem property taxes shall be paid thereon as is provided by law. The provisions of this subsection shall not apply to Kansas retailers' sales tax, ad valorem property tax on industrial-use facilities, ~~state inheritance tax~~ or any intangible tax.

All sales of: (1) Tangible personal property and services purchased directly by any port authority for use exclusively by such authority; (2) tangible personal property or services purchased by a port authority for constructing, maintaining, equipping, reconstructing, repairing, enlarging, remodeling or furnishing port facilities other than an industrial-use facility; and (3) tangible personal property or services purchased with funds of a political subdivision by a contractor for constructing, reconstructing, repairing, enlarging or remodeling a port or industrial-use facility for any port authority shall be exempt from the Kansas retailers' sales tax imposed by K.S.A. 79-3603, and amendments thereto.

Sec. 11. K.S.A. 12-5248. Same; issuance of special obligation bonds; payment; procedure for issuance; tax exempt status; limitations. (a) (1) Any city or county which has established a housing incentive district as provided in this act may issue special obligation bonds to finance the implementation of the plan adopted for the district by the governing body. Such special obligation bonds shall be made payable, both as to principal and interest:

(A) From property tax increments allocated to, and paid into a special fund of the city or county under the provisions of subsection (b) of K.S.A. 12-5250, and amendments thereto;

(B) from revenues of the city or county derived from or held in connection with the implementation of the project or projects in the district;

(C) from any private sources, contributions or other financial assistance from the state or federal government;

(D) from any financial sureties or other guarantees provided by the developer;

(E) from a pledge of any other lawfully available city or county revenue sources, including, but not limited to: (1) a portion of all increased franchise fees collected from utilities and other businesses using public rights-of-way within the district; or (2) a portion of the sales and use tax revenues received by the city or county and collected pursuant to K.S.A. 12-187, and amendments thereto; or

(F) by any combination of these methods.

The city or county may pledge such revenue to the repayment of such special obligations bonds prior to, simultaneously with, or subsequent to the issuance of such special obligation bonds.

(2) Bonds issued under this subsection shall not be general obligations of the city or county, not [nor] in any event shall they give rise to a charge against the general credit or taxing powers of the city or county, or be payable out of any funds or properties other than any of those set forth in this subsection. Such bonds shall so state on their face.

(3) The bonds issued under the provisions of this subsection shall be special obligations of the city or county and are declared to be negotiable instruments. The bonds shall be executed by the mayor and clerk of the city or, in the case of counties, by the chairman of the board of county commissioners and clerk of the county, and shall be sealed with the corporate seal of the city or the seal of the county. All details pertaining to the issuance of such special obligation bonds shall be determined by ordinance of the city or resolution of the county. All special obligation bonds issued pursuant to this act shall be exempt from all state taxes ~~except inheritance taxes~~. The special obligation bonds shall contain none of the recitals set forth in K.S.A. 10-112, and amendments thereto. The special obligation bonds shall contain the following recitals, viz., the authority under which such special obligation bonds are issued, they are in conformity with the provisions, restrictions and limitations thereof, and that such special obligation bonds and the interest thereon are to be paid from the money and revenue received as provided in paragraph (1) of this subsection.

(4) The maximum maturity on bonds issued to finance projects pursuant to this act shall not exceed 15 years.

(5) Any city or county issuing special obligation bonds under the provisions of this act may refund all or part of such issue pursuant to the provisions of K.S.A. 10-116a, and amendments thereto.

(b) In the event the city or county shall default in the payment of any special obligation bonds as authorized pursuant to paragraph (1) of subsection (a) of this section, and amendments thereto, no public funds shall be used to pay the holders thereof except as otherwise specifically authorized in this act.

(c) Any and all terms, conditions, exclusions and limitations which are otherwise applicable to bonds issued by authority of K.S.A. 12-1774, shall also be applicable to bonds issued pursuant to this section.

Sec. 12. K.S.A. 13-3114. Same; tax exemptions for bonds. Bonds issued under this act and all interest thereon shall be exempt from all taxes imposed by this state or any of its political subdivisions except only inheritance taxes.

17-49a07. Ownership on death of owner. On death of a sole owner or the last to die of all multiple owners, ownership of securities registered in beneficiary form passes to the beneficiary or beneficiaries who survive all owners. On proof of death of all owners, ~~proof of payment of inheritance tax, no tax due or a consent to transfer certified by the director of taxation of the Kansas department of revenue and compliance with any applicable requirements of the registering entity,~~ a security registered in beneficiary form may be reregistered in the name of the beneficiary or beneficiaries who survived the death of all owners. If any beneficiary should predecease the owner, then the security may be registered to another person or persons, in accordance with the beneficiary designation made by the owner or owners. Until division of the security after the death of all owners, multiple beneficiaries surviving the death of all owners hold their interests as tenants in common, in equal shares unless otherwise directed by the beneficiary designation. If no beneficiary survives the death of all owners, the security belongs to the estate of the deceased sole owner or the estate of the last to die of all multiple owners.

Sec. 14. K.S.A. 19-2129. Same; interest on revenue bonds, tax exemption. The interest on the revenue bonds issued hereunder shall be exempt from all state, county and municipal taxation in the state of Kansas, ~~except inheritance taxes of the state of Kansas.~~

Sec. 15. K.S.A. 19-4622. Same; revenue bonds; tax exemptions. The interest on the revenue bonds issued under this act shall be exempt from all state, county and municipal taxation in the state of Kansas, except inheritance taxes of the state of Kansas.

Sec. 16. K.S.A. 28-115. Fees of register of deeds; monthly billing to internal revenue service; standards for documents to be filed; disposition of fees. (a) The register of deeds of each county shall charge and collect the following fees:

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- For recording deeds, mortgages or other instruments of writing, for first page, not to exceed legal size page--8 1/2" x 14"\$6.00
- For second page and each additional page or fraction thereof.....2.00
- Recording town plats, for each page.....20.00
- Recording release or assignment of real estate mortgage.....5.00
- Certificate, certifying any instrument on record.....1.00
- Acknowledgment of a signature.....50
- For filing notices of tax liens under the internal revenue laws of the United States.....5.00
- For filing releases of tax liens, certificates of discharge, under the internal revenue laws of the United States or the revenue laws of the state of Kansas5.00
- For filing liens for materials and services under K.S.A. 58-201, and amendments thereto.....5.00

(b) In addition to the fees required to be charged and collected pursuant to subsection (a), the register of deeds shall charge and collect an additional fee of \$2 per page for recording:

- (1) The first page of any deeds, mortgages or other instruments of writing, not to exceed legal size--8 1/2" x 14";
- (2) the second page and each additional page or fraction of any deeds, mortgages or instruments of writing; and
- (3) a release or assignment of real estate mortgage.

Any fees collected pursuant to this subsection shall be paid by the register of deeds to the county treasurer. The county treasurer shall deposit such funds in the register of deeds technology fund as provided by K.S.A. 2007 Supp. 28-115a, and amendments thereto.

(c) For any filing or service provided for in the uniform commercial code, the amount therein provided, shall be charged and collected. ~~No fee shall be charged or collected for any filing made by the department of revenue as required under the provisions of the Kansas inheritance tax act, and amendments thereto.~~

(d) If the name or names of the signer or signers or any notary public to any instrument to be recorded are not plainly typed or printed under the signatures affixed to the instrument, the register of deeds shall charge and collect a fee of \$1 in addition to all other fees provided in this section.

(e) If sufficient space is not provided for the necessary recording information and certification on a document, such recording information shall be placed on an added sheet and such sheet shall be counted as a page. The document shall be of sufficient legibility so as to produce a clear and legible reproduction thereof. If a document is judged not to be of sufficient legibility so as to produce a clear and legible reproduction, such document shall be accompanied by an exact copy thereof which shall be of sufficient legibility so as to produce a clear and legible reproduction thereof and which shall be recorded contemporaneously with the document and shall be counted as additional pages. The register of deeds may reject any document which is not of sufficient legibility so as to produce a clear and legible reproduction thereof.

(f) Any document which was filed on or after January 1, 1989, which was of a size print or type smaller than 8-point type but which otherwise was properly filed shall be deemed to be validly filed.

(g) All fees required to be collected pursuant to this section, except those charged for the filing of liens and releases of tax liens under the internal revenue laws of the United States, shall be due and payable before the register of deeds shall be required to do the work. If the register of deeds fails to collect any of the fees provided in this section, the amount of the fees at the end of each quarter shall be deducted from the register's salary.

(h) Except as otherwise provided by subsection (b), all fees required to be collected pursuant to this section shall be paid by the register of deeds to the county treasurer and deposited into the general fund of the county.

Sec. 17. K.S.A. 32-882. State; tax exemption. The revenue bonds issued under K.S.A. 32-876 through 32-885 and any refunding revenue bonds authorized to be issued under such sections, and the income derived therefrom, are and shall be exempt from all state, county and municipal taxation in the state of Kansas, ~~except Kansas inheritance taxes.~~

Sec. 18. K.S.A. 40-441. Designation of trustee under will as beneficiary of life insurance policy.

A policy of life insurance may designate as beneficiary a trustee or trustees named or to be named by will, if the designation is made in accordance with the provisions of the policy and the requirements of the insurance company. Immediately after the proving of the will the proceeds of such insurance shall be paid to the trustee or trustees named therein to be held and disposed of under the terms of the will as they exist at the death of the testator, but if no qualified trustee makes claim to the proceeds from the insurance company within one (1) year after the death of the insured, or if satisfactory evidence is furnished the insurance company within such one-year period showing that no trustee can qualify to receive the proceeds, payment shall be made by the insurance company to those thereafter entitled. The proceeds of the insurance as collected by the trustee or trustees shall not be subject to debts of the insured and inheritance tax to any greater extent than if such proceeds were payable to any other named beneficiary other than the estate of the insured. Nothing in this section shall be construed as invalidating previous life insurance policy beneficiary designations naming trustees of trusts established by will.

Sec. 19. K.S.A. 59-212. Records to be kept by court for chapter 59 actions. (a) The following shall be kept by the court for proceedings under chapter 59 of the Kansas Statutes Annotated:

(1) An appearance docket, in which shall be listed under the name of the decedent, ward, conservatee, mentally ill person, or other person involved, all documents pertaining thereto and in the order filed, except that separate appearance dockets, not open to public inspection shall be kept for proceedings under the care and treatment act for mentally ill persons and adoptions. Such list shall show the nature of the document, the date of the filing thereof, shall give a reference to the volume and page of any other book or reference to microfilm in which any record shall have been made of such document, and shall state the charge, if any, therefor.

(2) A suitable general index, in which files pertaining to estates of decedents shall be indexed under the name of the decedent, those pertaining to guardianships under the name of the ward, those pertaining to conservatorships under the name of the conservatee, those pertaining to mentally ill persons under the name of such person, those pertaining to adoption of children under both the name and adopted name of the child. After the name of each file shall be shown the case number.

(b) Suitable permanent duplicate copies of the following, kept by the district court prior to the effective date of this act, may be disposed of at the discretion of the district court: (1) All wills admitted to probate; (2) all elections filed; (3) all letters of appointment issued; (4) all certificates of appointment filed; (5) all bonds filed; (6) all orders, judgments and decrees, including estate and inheritance tax orders determination; (7) appearance docket sheets; (8) journals; (9) copies of journal entries of judgment; and (10) such other documents as the court may determine.

Sec. 20. K.S.A. 59-1410. Sale of realty; conveyance to bona fide purchaser; effect. (a) The executor or administrator may sell real estate of a decedent (1) whenever the sale thereof is necessary for the payment of reasonable funeral expenses, expenses of last sickness, wages of servants during the last sickness, cost of administration, taxes, debts, or legacies charged upon such real estate, (2) whenever it shall be determined by the court that the real estate to be sold is a wasting asset and its retention will be detrimental to the estate and such sale is for the best interests of the estate or (3) at such other time as the court shall determine is for the best interests of the estate. The proceeds of any such sale which shall be available for distribution shall be distributed to the same persons and in the same shares as if it had remained real estate.

~~(b) For decedents dying before July 1, 1998, the lien of the state for inheritance taxes shall not extend to any right acquired by a purchaser through any conveyance made pursuant to this section notwithstanding any provision of K.S.A. 79-1569, and amendments thereto, to the contrary.~~

(c) Every conveyance of real estate of a decedent to a bona fide purchaser, pursuant to the authority of this section, shall transfer such real estate free and clear from liens and claims of all creditors of the decedent of the estate of the decedent and of the heirs, devisees and legatees of the decedent and any such liens or claims shall be transferred to the proceeds of such sale received by the executor or administrator making the same but such transferral shall not affect ~~inheritance tax liens or other tax liens~~ against the estate.

Sec. 21. K.S.A. 59-1413. Sale under will; exercise of power; tax liens and claims. (a) If a will authorizes the executor to sell any property, the executor, or an administrator with the will annexed, may exercise such power without any order of the district court, unless the will provides otherwise. Subject to the limitations contained in K.S.A. 59-704, and amendments thereto, such power may be exercised at any time except when a proceeding to set aside or contest the will or to probate a later will of the decedent is pending.

~~(b) For decedents dying before July 1, 1998, the lien of the state for inheritance taxes shall not extend to any right acquired by a purchaser through any conveyance made pursuant to this section notwithstanding any provision of K.S.A. 79-1569, and amendments thereto, to the contrary.~~

(c) Every conveyance of real estate of a decedent to a bona fide purchaser, pursuant to the authority of this section, shall transfer such real estate free and clear from liens and claims of all creditors of the decedent of the estate of the decedent and of the heirs, devisees and legatees of the decedent and any such liens or claims shall be transferred to the proceeds of such sale received by the executor or administrator making the same but such transferral shall not affect ~~inheritance tax liens or other~~ tax liens against the estate.

Sec. 22. K.S.A. 59-2249. Hearing and final decree; real estate; distributive share subject to order of garnishment. (a) On the hearing, unless otherwise ordered, the executor or administrator shall, and other persons may, be examined relative to the account and the distribution of the estate. If all the taxes payable by the estate have been paid so far as there are funds to pay them and the account is correct, it shall be settled and allowed. If the account is incorrect, it shall be corrected and then settled and allowed. Upon settlement and allowance, the court shall determine the heirs, devisees and legatees entitled to the estate and assign it to them by its decree, pursuant to the terms of the will, the laws of intestate succession in effect on the date of the decedent's death or a valid settlement agreement. The decree shall name the heirs, devisees and legatees; describe the property; and state the proportion or part thereof to which each is entitled. The decree shall be binding as to all the estate of the decedent, whether specifically described in the proceedings or not. In the estate of a testate decedent, no heirs need be named in the decree unless they have, as such, an interest in the estate.

~~(b) No final decree shall be entered for decedents dying before July 1, 1998, until after the determination and payment of inheritance taxes.~~ When the final decree includes real estate, such decree, or a certified copy of it, may be entered on the transfer record of the county clerk of the proper county. When any such decree which includes real estate shall become final, it shall be the duty of the court to transmit a certified copy of it to the county clerk and the county clerk shall enter it on the transfer record in the clerk's office.

(c) If any person entitled to receive a distributive share of an estate pursuant to a decree hereunder is the defendant in a garnishment action or proceeding in which the executor or administrator of the estate is the garnishee, the person's distributive share shall be subject to the order of garnishment served upon the executor or administrator, and no property or funds of the estate shall be delivered or paid over to the person until further order of the court from which the order of garnishment was issued.

Sec. 23. K.S.A. 59-2251. Decree of descent. Upon the filing of a petition for determination of descent, the court shall fix the time and place for the hearing on the petition. Notice of any such hearing upon which title to real estate is to be assigned shall be given pursuant to K.S.A. 59-2209 and amendments thereto. In all other cases, notice shall be given or waived as provided in K.S.A. 59-2208 and amendments thereto. Upon proof of the petition, the court shall allow it and enter the court's decree assigning the property to the persons entitled thereto at the time of the decedent's death pursuant to the law of intestate succession in effect on the date of the decedent's death or a valid settlement agreement. ~~For decedents dying before July 1, 1998, unless the death of the decedent has occurred more than 10 years prior to the decree of descent, no decree shall be entered until after the determination and payment of inheritance taxes.~~

Sec. 24. K.S.A. 59-2286. Institution of proceedings; notice, hearing, order and decree; time for appeal. (a) If a person who is a life tenant or joint tenant in real or personal property dies either testate or intestate, leaving no property or estate on which administration proceedings have been had or commenced, any of the remaindermen having an interest in the real or personal property subject to such life estate, any survivor of such joint tenancy or any person claiming any right, title or interest in such real or personal property by, through or under such remainderman or survivor may have the fact of the death of the life tenant or joint tenant and the fact of devolution of title to such real or personal property judicially determined by filing a petition in the district court of the county in which the real property or a part of it is situated, or of the county of the residence of the decedent, alleging the facts of such life estate or joint tenancy; describing such real or personal property; alleging the death of such life tenant or joint tenant as the case may be; and setting forth the names and addresses, if known, of all of the heirs of the decedent, if intestate, or of the decedent's heirs, devisees and legatees, if testate, and of all other persons known by the petitioner to claim any interest in the real or personal property. The petition shall be sworn to by the petitioner, the petitioner's agent or attorney.

(b) Upon the filing of such petition, the court shall enter an order fixing the date and hour for hearing it, which date shall be not less than 10 days from the date of entry of the order.

(c) Notice of hearing in all proceedings commenced pursuant to this section in which real property is to be assigned by the court shall be given pursuant to K.S.A. 59-2209 and amendments thereto. In all other cases, notice shall be given or waived as provided by K.S.A. 59-2208 and amendments thereto.

(d) Upon hearing of such petition, the court shall hear the evidence and proof of the death. ~~Upon proof that any and all state inheritance taxes owing and due have been paid, for decedents dying before July 1, 1998, the~~ The court shall enter an order and decree determining the following facts: (1) The death of the life tenant or joint tenant, as the case may be; (2) the termination of the life estate or joint tenancy in real or personal property, as the case may be; and (3) the fact of devolution of title to the real or personal property to the remaindermen having an interest in the real or personal property, or the survivor or survivors of such joint tenancy, as the case may be. Upon entry, the order or decree, unless appealed as provided by law within 30 days from the date issued, shall be conclusive of the facts therein found as to all purchasers, encumbrancers or lienors of such real or personal property acquiring their titles, encumbrances or liens in good faith, relying upon the decree.

Sec. 25. K.S.A. 59-2287. Refusal to grant letters of administration; order; notice;

termination of administration. (a) The district court, in its discretion, may refuse to grant letters in the following cases:

(1) When the value of real or personal property owned by the decedent is not greater in amount than is allowed by law as exempt property and the allowance to the surviving spouse or minor children under K.S.A. 59-403 and amendments thereto.

(2) When the real and personal estate of the decedent does not exceed \$50,000 and the estate is not subject to allowances pursuant to K.S.A. 59-403 and amendments thereto or such allowances are waived, any heir, devisee, legatee, creditor or other interested person may petition for refusal of letters by giving bond in the sum of not less than the value of the estate. Such bond shall be approved by the district court and conditioned upon the creditor's or heir's assuming the obligation to pay, so far as the assets of the estate will permit, the debts of the decedent in the order of their preference, and to distribute the balance, if any, to the persons entitled thereto under the law, except that real estate sold in accordance with this section shall be deemed to have marketable title as ordered by the court, and no creditor, heir or other person shall be deemed to have an interest after passage of six months following the date of death.

(b) Proof may be allowed by or on behalf of the surviving spouse or minor children before the district court of the value and nature of the estate. If the court is satisfied that no estate will be left after allowing to the surviving spouse or minor children their exempt property and statutory allowances, or that the real and personal estate does not exceed \$50,000 when the petition is filed by a creditor or heir, the court may order that no letters of administration shall be issued on the estate, unless, upon the petition of other creditors, heirs or parties interested, the existence of other or further property is shown.

(c) When a petition is filed under this section by a surviving spouse or minor children, notice of the proceeding shall be given pursuant to K.S.A. 59-2222 and amendments thereto.

(d) Whenever it appears to the court that further proceedings in the administration of an estate pursuant to this section are unnecessary, ~~and after payment of Kansas inheritance taxes, if any, for decedents dying before July 1, 1998;~~ the court shall enter an order terminating the administration of such estate. Such order shall be made without notice, unless the court otherwise orders, and it shall be to the effect that, unless further estate of the decedent be discovered, all further settlements and other proceedings concerning the estate be dispensed with and that the surviving spouse and minor children are relieved of any further obligations with respect to the estate. If further estate of the decedent is discovered and administration is had on it, such administration shall not abrogate or invalidate or otherwise affect any right, title or interest in property transferred or vested pursuant to this section unless the court, for good cause shown, otherwise determines and orders.

(e) Any will filed pursuant to this section within a period of six months after the death of the testator may be admitted to probate after such six-month period.

Sec 26. K.S.A. 59-3204. Executor or administrator; duties. (a) The executor or administrator appointed under the Kansas simplified estates act shall collect the decedent's assets, file an inventory and valuation, pay claims of creditors, ~~and for decedents dying before July 1, 1998, secure a determination of Kansas inheritance tax in the manner provided by the Kansas inheritance tax act~~ and pay taxes owed by the decedent or the decedent's estate in the manner provided by law.

2. (b) The executor or administrator may sell, liquidate or exchange personal property of the estate not specifically bequeathed. Payment of creditors' claims and sale, liquidation or exchange of personal property hereunder shall not require court supervision.

(c) The executor or administrator may make a distribution of a bequest or of the residue of the estate prior to the closing of the estate, and such executor or administrator may require a redelivery bond equal to the value of the property distributed.

Sec. 27. K.S.A. 59-3302. Petition; contents. (a) Any person interested in an estate may petition for informal administration.

(b) The petition shall contain:

(1) The name and residence address of the petitioner.

(2) The interest of the petitioner in the estate.

(3) The name, residence address and date and place of death of the decedent and a statement that there is property which is subject to administration.

(4) The names, ages, residences, addresses and relationships of the heirs, devisees and legatees of the decedent and any named fiduciary, if known or ascertainable with reasonable diligence.

(5) The name and address of the person who prepared the will, if known or ascertainable with reasonable diligence.

(6) An inventory and valuation or appraisal of all of the assets of the decedent. This information may be set forth in the petition, or listed in a separate document attached to the petition or for decedents dying before July 1, 1998, supplied by a copy of the Kansas inheritance tax return attached to the petition.

(7) A listing of the debts of the decedent, both paid and unpaid; an estimate of costs and expenses of informal administration, including reasonable fees; and a statement of those specific moneys belonging to decedent's estate which are proposed to be used to pay unsatisfied debts of the decedent and the expenses of informal administration. This information may be set forth in the petition, or listed in a separate document attached to the petition or, for decedents dying before July 1, 1998, to the extent contained therein, supplied by a copy of the Kansas inheritance tax return attached to the petition.

~~(8) For decedents dying before July 1, 1998, proof of the determination and payment of Kansas inheritance taxes.~~

(9) The nature and form of disposition requested, including a statement of whether the property will pass by will, the law of descent and distribution or valid settlement agreement. If the property is to pass by will or valid settlement agreement, the will or valid settlement agreement shall be attached.

~~(10)~~ (9) The reasons informal administration is appropriate.

~~(11)~~ (10) A request that the petitioner or other named person be designated to carry out the orders made by the court.

~~(12)~~ (11) The amount and type of bond or bonds to be given.

~~(13)~~ (12) A statement that if informal administration is denied, which alternative under K.S.A.

59-3305, and amendments thereto, is requested, and if simplified or supervised administration is requested, the name and address of the person proposed to be appointed as executor or administrator.

Sec. 28. K.S.A. 65-163q. Same; income from bonds exempt from taxation. The revenue bonds issued under this act and any refunding revenue bonds authorized to be issued under this act, and the income derived therefrom, are and shall be exempt from all state, county and municipal taxation in the state of Kansas, ~~except Kansas inheritance taxes.~~

Sec. 29. K.S.A. 68-2309. Same; interest and income from bonds exempt from taxation, exception. The exercise of the powers granted by this act will be in all respects for the benefit of the people of the state, for the increase of their commerce and prosperity and for the improvement of their health and living conditions; and as the construction, improvement and reconstruction of highway projects in the state will constitute the performance of essential governmental functions, all bonds issued pursuant to the provisions of this act, and all income or interest therefrom, at all times shall be exempt from all state taxes, ~~except inheritance taxes.~~

Sec. 30. K.S.A. 74-2426. Orders of board rendered in accordance with Kansas administrative procedure act; petition for reconsideration; judicial review. (a) Orders of the board of tax appeals on any appeal, in any proceeding under the tax protest, tax grievance or tax exemption statutes or in any other original proceeding before the board shall be rendered and served in accordance with the provisions of the Kansas administrative procedure act. Notwithstanding the provisions of subsection (g) of K.S.A. 77-526 and amendments thereto, a final order of the board shall be rendered in writing and served within 120 days after the matter was fully submitted to the board unless this period is waived or extended with the written consent of all parties or for good cause shown.

(b) No final order of the board shall be subject to review pursuant to subsection (c) unless the aggrieved party first files a petition for reconsideration of that order with the board in accordance with the provisions of K.S.A. 77-529 and amendments thereto.

(c) Any action of the board pursuant to this section is subject to review in accordance with the act for judicial review and civil enforcement of agency actions, except that:

(1) The parties to the action for judicial review shall be the same parties as appeared before the board in the administrative proceedings before the board. The board shall not be a party to any action for judicial review of an action of the board.

(2) There is no right to review of any order issued by the board in a no-fund warrant proceeding pursuant to K.S.A. 12-110a, 12-1662 *et seq.*, 19-2752a, 79-2938, 79-2939 and 79-2951, and amendments thereto, and statutes of a similar character.

(3) The court of appeals has jurisdiction of any action for review pertaining to property appraised and assessed by the director of property valuation, excise, income or inheritance estate taxes assessed by the director of taxation and the exemption of any property from property taxation. The district court of the proper county has jurisdiction in all other cases.

(4) Review of orders issued by the board of tax appeals relating to the valuation or assessment of property for ad valorem tax purposes or relating to the tax protest shall be conducted by the district court of the county in which the property is located or, if located in more than one county, the district court of any county in which any portion of the property is located.

(5) In addition to the cost of the preparation of the transcript, the appellant shall pay to the board the other costs of certifying the record to the reviewing court. Such payment shall be made prior to the transmission of the agency record to the reviewing court.

(d) If review of an order of the board relating to excise, income or inheritance estate taxes, is sought by a person other than the director of taxation, such person shall give bond for costs at the time the petition is filed. The bond shall be in the amount of 125% of the amount of taxes assessed or a lesser amount approved by the court of appeals and shall be conditioned on the petitioner's prosecution of the review without delay and payment of all costs assessed against the petitioner.

(e) If review of an order is sought by a party other than the director of property valuation or a taxing subdivision and the order determines, approves, modifies or equalizes the amount of valuation which

is assessable and for which the tax has not been paid, a bond shall be given in the amount of 125% of the amount of the taxes assessed or a lesser amount approved by the reviewing court. The bond shall be conditioned on the petitioner's prosecution of the review without delay and payment of all costs assessed against the petitioner.

Sec. 31. K.S.A. 74-8908. Bonds and interest exempt from taxation. Any bonds issued under the provisions of this act and the interest paid thereon, unless specifically declared to be taxable in the authorizing resolution, shall be exempt from all state, county and municipal taxes, and the exemption shall include income, ~~inheritance~~ and property taxes.

Sec. 32. K.S.A. 76-6a22. Bonds exempt from taxation; exception. The revenue bonds issued hereunder and the income derived therefrom are and shall be exempt from all state, county and municipal taxation in the state of Kansas, ~~except inheritance taxes of the state of Kansas.~~

Sec. 33. K.S.A. 76-783. Bond financing for projects; issuance of bonds by Kansas development finance authority; limitations, conditions, terms, guidelines and procedures; debt service payments, transfers from state general fund; powers of state board of regents cumulative. (a) (1) The Kansas development finance authority is hereby authorized to issue from time to time bonds on behalf of the board of regents in such principal amounts as the Kansas development finance authority and the board of regents determine to be necessary to provide sufficient funds to finance scientific research and development facilities, including, but not limited to, the payment of interest on such bonds, the establishment of reserves to secure such bonds, costs of issuance, refunding any outstanding bonds, and all other expenditures of the board of regents incident to and necessary or convenient to carry out the powers and functions authorized by this act. The Kansas development finance authority shall not issue any bond or bonds on behalf of the corporation formed by the board of regents under this act. The Kansas development finance authority shall not issue bonds under this act for more than \$120,000,000, in the aggregate, plus all amounts required for costs of any bond issuance, costs of interest on any bond issued or obtained for such scientific research and development facilities and any required reserves for payment of principal and interest on any such bond.

(2) Except as may otherwise be expressly provided by the board of regents, every obligation of the board of regents with respect to such bonds shall be an obligation of the board of regents payable out of any revenues or moneys of the board of regents derived from annual appropriations of the legislature. Subject only to any agreements with holders of particular bonds pledging any particular revenues, the board of regents shall use moneys derived from scientific research and development facilities to provide funds sufficient to pay principal and interest on any bonds issued pursuant to this act commencing after the date a project is completed and has been accepted by the board of regents. Subject to the provisions of appropriation acts, payment of principal and interest on the bonds shall be made by the state board of regents from annual appropriations by the legislature from such revenues as are furnished by the board of regents, or from any other available funds, in amounts sufficient to pay principal and interest on the bonds until the bonds are finally paid.

(3) Upon acceptance by the board of regents of each project initiated and completed under this act and upon a determination by the board of regents that the period for repayment of debt for such project is to commence, the board of regents shall certify to the director of accounts and reports that principal and interest payments for such project are to commence and the dates and amounts of all principal and interest payments for such project. Pursuant to each such certification and commencing on or after July 1, 2004, the director of accounts and reports shall transfer, from the state general fund to the debt service fund or funds at a state educational institution as specified in the certification for such project, the amount certified on or before the respective payment date therefor. Transfers shall be made under this section pursuant to any such certification on or after July 1, 2004. The aggregate of all such transfers from the state general fund during any fiscal year shall not exceed \$10,000,000 and the aggregate of all such transfers from the state general fund under this section shall not exceed \$50,000,000. The Kansas development finance authority and the board of regents shall enter into contracts with respect to

the scientific research and development facilities financed under this act prescribing the obligation of the board of regents and the state educational institutions to provide for repayment of amounts of bond debt service in addition to those amounts provided for by transfers under this section from the state general fund.

(b) (1) The bonds shall be authorized by a resolution adopted by the board of directors of the Kansas development finance authority.

(2) Except as otherwise provided in this act, bonds issued by the Kansas development finance authority under authority of this act shall be subject to the provisions of K.S.A. 74-8901 *et seq.*, and amendments thereto.

(c) Any resolution authorizing the board of regents to incur any obligation with respect to bonds issued by the Kansas development finance authority may contain such provisions as deemed appropriate by the board of regents for the purpose of carrying out the purposes of this act and securing such bonds, which shall be a part of the contract with the holders thereof, including, but not limited to, provisions:

(1) Pledging all or any part of the revenues of the board of regents derived from scientific research and development facilities to secure the payment of the bonds or of any issue thereof, subject to such agreements with bondholders as may then exist;

(2) the setting aside of reserves or sinking funds and the regulation and disposition thereof;

(3) limitations on the issuance of additional bonds or other obligations, the terms upon which additional bonds or obligations may be issued and secured, and the refunding of outstanding or other bonds;

(4) defining the acts or omissions to act which shall constitute a default in the obligations and duties of the board of regents to the Kansas development finance authority, the applicable bond trustee or the holders of the bonds, except that such rights and remedies shall not be inconsistent with the general laws of this state and the other provisions of this act; and

(5) any other matters, of like or different character, which in any way affect the security or protection of the holders of the notes or bonds.

(d) Any of the provisions relating to any bonds described in this section may be set forth in a trust indenture, loan agreement, lease agreement or other financing document authorized by a resolution of the board of regents or the board of directors of the Kansas development finance authority.

(e) The bonds of each issue may, in the discretion of the board of directors of the Kansas development finance authority, be made redeemable before maturity at such prices and under such terms and conditions as may be determined by the board of directors of the Kansas development finance authority. Bonds issued on behalf of the board of regents shall mature at such time, not exceeding 30 years from their date of issue, as may be determined by the board of

regents and the board of directors of the Kansas development finance authority. The bonds may be issued as serial bonds payable in annual installments or as term bonds or as a combination thereof. The bonds shall bear interest at such rate either fixed or variable, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment and at such place, and be subject to such terms of redemption as provided in the resolution of trust indenture. The bonds may be sold by the Kansas development finance authority, at public or private sale, at such price as the board of directors of the Kansas development finance authority shall determine.

(f) In case any officer of the Kansas development finance authority whose signature or a facsimile of whose signature appears on any bonds or coupons attached thereto ceases to be such officer before the delivery thereof, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

(g) Any bonds issued by the Kansas development finance authority pursuant to this section, and the income therefrom (including any profit from the sale thereof) shall at all times be free from taxation by the state or any agency, political subdivision or instrumentality of the state, including income, inheritance and property taxes.

(h) Any holder of bonds issued under the provisions of this act, or any coupons appertaining thereto and the trustee under any trust agreement or resolution authorizing the issuance of such bonds, except the rights under this act may be restricted by such trust agreement or resolution, may, either at law or in equity by suit, action, mandamus or other proceeding, protect and enforce any and all rights under the laws of the state or granted under this act or under such agreement or resolution, or under any other contract executed by the board of regents pursuant to this act, and may enforce and compel the performance of all duties required by this act or by such trust agreement or resolution to be performed by the board of regents or by an officer thereof.

(i) the bonds shall be special, limited obligations of the Kansas development finance authority and the state shall not be liable for bonds issued by the Kansas development finance authority on behalf of the board of regents, and such bonds shall not constitute a debt of the state.

(j) Neither the board of regents, the board of the Kansas development finance authority nor any authorized employee of the board of regents or the Kansas development finance authority shall be personally liable for such bonds by reason of the issuance thereof.

(k) Nothing in this act shall be construed as a restriction or limitation upon any other powers which the board of regents might otherwise have under any other law of this state, and this act is cumulative to any such powers. This act does and shall be construed to provide a complete, additional and alternative method for the doing of the things authorized thereby and shall be regarded as supplemental and additional to powers conferred by other laws. The issuance of bonds under the provisions of this act need not comply with the requirements of any other state law applicable to the issuance of bonds. No proceedings, notice or approval shall be required for the issuance of any bonds or any instrument as security therefor, except as is provided in this act.

(l) Any of the provisions relating to bonds described in this section may be included in any contracts between the board of regents and the Kansas development finance authority relating to obligations of the Kansas development finance authority issued on behalf of the board of regents.

Sec. 34. K.S.A. 76-823. Exemption from taxation. The exercise of the powers granted under this act will be in all respects for the benefit of the people of the state, for the increase of their commerce and prosperity and for the improvement of their health and living conditions, and as the operation and maintenance of the medical center with the project by the board will constitute the performance of an essential governmental function, the board shall not be required to pay any taxes or assessments upon any of its property constituting a part of the medical center or the project levied by the state or by any municipality, county, political subdivision or other public agency of the state, and any bonds issued under this act, their transfer and the income therefrom (including any profit made on the sale thereof) shall at all times be free from taxation, ~~except inheritance taxes,~~ by the state and any municipality, county, political subdivision or other public agency of the state.

Sec. 35. K.S.A. 79-3122. Certification and registration by county treasurer. Any person owning or holding as trustee, agent or other legal representative any such secured debt, which has heretofore been stamped under the provisions of said chapter 327 [*], Laws of Kansas 1927, may present in person, or send to the office of the county treasurer of the county in the state of Kansas wherein such original debt was registered and stamped, a statement on oath to the effect that such secured debt has been refunded, together with the fee hereinafter provided, and the county treasurer of such county shall certify on the back or on the margin thereof, under the seal of his or her office, a legend substantially as follows: "All taxes on this refunded secured debt have been paid to the ___ day of _____ 19__ (indicating the date of the maturity of the original secured debt which was stamped) and thereafter said secured debt shall not be subject to further taxation to the date named in such certificate by any taxing power under the laws of the state of Kansas: *Provided*, That nothing in this act shall be construed to be a limitation upon or in any manner to affect the power of the state to levy and collect ~~inheritance estate~~ taxes or taxes upon income.

Sec. 36. K.S.A. 79-3425g. Same; street and highway construction, reconstruction, alteration, repair and maintenance; revenue bonds payable from revenues allocated from fund. The governing body of any city is hereby authorized to issue revenue bonds to finance the cost of construction, reconstruction, alteration, repair and maintenance of the streets and highways of such city. Such bonds shall be payable solely from the revenue allocated to the city from the special city and county highway fund pursuant to K.S.A. 79-3425c and amendments thereto. Such bonds shall not constitute a general obligation of the city and shall not be subject to any debt limitations of the city. Such bonds shall be negotiable instruments and shall be registered, executed and subject to all other terms as provided by ordinance of the city and shall bear interest at a rate not to exceed the maximum rate prescribed by K.S.A. 10-1009. The provisions of K.S.A. 10-113 shall not apply to any bonds issued pursuant to this section.

All bonds issued pursuant to this section and all income or interest therefrom shall be exempt from all state taxes ~~except inheritance taxes.~~

Sec. 37. K.S.A. 80-2531. Same; revenue bonds; tax exemptions. The interest on the revenue bonds issued hereunder shall be exempt from all state, county and municipal taxation in the state of Kansas; ~~except inheritance taxes of the state of Kansas.~~

Sec. 38. K.S.A. 82a-1365. Same; income from bonds exempt from taxation. The revenue bonds issued hereunder and any refunding revenue bonds authorized to be issued hereunder and the income derived therefrom are and shall be exempt from all state, county and municipal taxation in the state of Kansas, ~~except Kansas inheritance taxes.~~

Sec. 39. K.S.A. 82a-2209. Same; issuance of bonds by districts; characteristics; procedures. (a)

The district may issue bonds in one or more series to finance the undertaking of the project in accordance with the provisions of this act. Such bonds shall be made payable, both as to principal and interest solely from a pledge of the sources of funds described in K.S.A. 2008 Supp. 82a-2205, and amendments thereto. The district may pledge such revenue to the repayment of such bonds prior to, simultaneously with or subsequent to the issuance of such bonds.

(b) Bonds issued pursuant to subsection (a) shall not be general obligations of the district, give rise to a charge against its general credit or taxing powers, or be payable out of any funds or properties other than any of those set forth in subsection (a) and such bonds shall so state on their face.

(c) Bonds issued pursuant to subsection (a) shall be special obligations of the district and are declared to be negotiable instruments. Such bonds shall be executed by the authorized representatives of the district and sealed with the corporate seal of the district. All details pertaining to the issuance of the bonds and terms and conditions thereof shall be determined by resolution of the district. The provisions of K.S.A. 10-106, and amendments thereto, requiring a public sale of bonds shall not apply to bonds issued under this act. All bonds issued pursuant to this act and all income or interest therefrom shall be exempt from all state taxes ~~except inheritance taxes~~. Such bonds shall contain none of the recitals set forth in K.S.A. 10-112, and amendments thereto. Such bonds shall contain the following recitals: The authority under which such bonds are issued; that such bonds are in conformity with the provisions, restrictions and limitations thereof; and that such bonds and the interest thereon are to be paid from the money and revenue received as provided in subsection (a).

(d) Any district issuing bonds under the provisions of this act may refund all or part of such issue pursuant to the provisions of K.S.A. 10-116a, and amendments thereto.

(e) Bonds issued under the provisions of this act shall be in addition to and not subject to any statutory limitation of bonded indebtedness imposed on such district.