BEFORE THE BOARD OF TAX APPEALS
STATE OF KANSAS

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IN THE MATTER OF THE APPLICATION OF CITY OF FORT SCOTT/MOKA RENTALS, L.L.C. FOR EXEMPTION OF PROPERTY LOCATED IN BOURBON COUNTY, KANSAS	Docket No. 2026-3773-IRBX

ORDER

Now the above-captioned matter comes on for consideration by the Board of Tax Appeals of the State of Kansas.

The Board finds and concludes as follows:

The Board has jurisdiction of the subject matter and the parties, as an application for exemption has been filed pursuant to K.S.A. 79-213. The subject property of this tax exemption application is described as follows:

> Real estate and improvements -
> 2526 S Main, Fort Scott, Kansas,
> known as Parcel ID# 006-203-06-0-40-01-007.02-0.

The subject property is not within a redevelopment district as defined by K.S.A. 12-1770 *et seq.* The subject property is leased to Moka Rentals, L.L.C., who uses the subject as a dialysis treatment facility.

The applicant constructed or purchased the subject property with the proceeds of revenue bonds issued in an aggregate principal amount not to exceed $800,000 on December 30, 2025, pursuant to K.S.A. 12-1740 through K.S.A. 12-1741b, K.S.A. 12-1742, K.S.A. 12-1743, K.S.A. 12-1744, K.S.A. 12-1744a, K.S.A. 12-1744b, K.S.A. 12-1744c, K.S.A. 12-1744d, and K.S.A. 12-744e through 12-1749d.

Pursuant to K.S.A. 12-1749d, the applicant conducted a public hearing on November 18, 2025, after publishing notice of the hearing in the *Fort Scott Tribune* at least once seven days prior thereto, and notifying the Board of Bourbon County, Kansas Commissioners and USD #234. On October 21, 2025, the applicant completed a cost-benefit analysis that demonstrated the effects on state revenues. The applicant passed Ordinance #3792, which authorized the issuance of the industrial revenue bonds.

The subject property qualifies for exemption pursuant to K.S.A. 79-201a *Second*. The exemption is limited to that portion of the property constructed or purchased with the proceeds of the bonds issued on December 30, 2025, in an aggregate principal amount not to exceed $800,000 ($450,000 for improvements, and $350,000 for personal property that is not at issue herein as it is exempt pursuant to K.S.A. 79-223.)

The applicant is required to file its annual claim for exemption with the county appraiser prior to March 1, as provided in K.S.A. 79-210. The taxpayer must report to the county appraiser any property acquired, regardless of whether the property is acquired with revenue bond proceeds. *See* K.S.A. 79-301 *et seq.*

The period of exemption is ten (10) calendar years beginning January 1, 2026, through December 31, 2035, or for so long as the bonds remain outstanding, whichever period is shorter. The exemption shall terminate upon a failure to pay all taxes levied on that portion of the subject property which is not exempt, and the entire property shall then be subject to sale in the manner prescribed by K.S.A. 79-2301 *et seq.*

Pursuant to 2017 Kansas Senate Bill 19, § 52, this grant of tax exemption shall not be deemed to exempt any such property from the ad valorem property tax levied by a school district pursuant to the provisions of K.S.A. 72-8801, and amendments thereto. 2017 Kansas Senate Bill 19, § 52, however, shall not apply to exemptions granted by this Board when the associated resolution of intent, letter of intent or inducement resolution to issue revenue bonds and grant property tax abatement was approved by any governing body of any city or the board of commissioners of any county or the public hearing required by K.S.A. 79-251, and amendments thereto, was conducted prior to May 1, 2017.

IT IS THEREFORE ORDERED that the application for exemption from ad valorem taxation is granted from January 1, 2026, through December 31, 2035, pursuant to Ordinance #3792, and the terms and conditions of any applicable payment in lieu of tax agreement, so long as the applicant pays all taxes levied on non-exempted property.

IT IS FURTHER ORDERED that any refund due and owing the applicant shall be made pursuant to K.S.A. 79-213(k), which limits the refund to the year immediately preceding the year in which the application is filed in accordance with K.S.A. 79-213(a).

Any party who is aggrieved by this order may file a written petition for reconsideration with this Board as provided in K.S.A. 77-529, and amendments thereto. *See* K.S.A. 74-2426(b), and amendments thereto. The written petition for reconsideration shall set forth specifically and in adequate detail the particular and specific respects in which it is alleged that the Board's order is unlawful, unreasonable, capricious, improper or unfair. Any petition for reconsideration shall be mailed to the Secretary of the Board of Tax Appeals. The written petition must be received by the Board within 15 days of the certification date of this order (allowing an additional three days for mailing pursuant to statute).

Rather than filing a petition for reconsideration, any aggrieved person has the right to appeal this order of the Board by filing a petition with the court of appeals or the district court pursuant to K.S.A. 74-2426(c)(4)(A), and amendments thereto. Any person choosing to petition for judicial review of this order must file the petition with the appropriate court within 30 days from the date of certification of this order. *See* K.S.A. 77-613(b) and (c) and K.S.A. 74-2426(c), and amendments thereto. Pursuant to K.S.A. 77-529(d), and amendments thereto, any party choosing to petition for judicial review of this order is hereby notified that the Secretary of the Board of Tax Appeals is to receive service of a copy of the petition for judicial review. Please note, however, that the Board would not be a party to any judicial review because the Board does not have the capacity or power to sue or be sued. *See* K.S.A. 74-2433(f), and amendments thereto.

The address for the Secretary of the Board of Tax Appeals is Board of Tax Appeals, Eisenhower State Office Building, 700 SW Harrison St., Suite 1022, Topeka, KS 66603. A party filing any petition shall also serve a complete copy of the petition on all other parties.

IT IS SO ORDERED

THE KANSAS BOARD OF TAX APPEALS

KRISTEN D. WHEELER, CHAIR

SEAL

VIRGINIA A. POWELL, MEMBER

ATTEST

DEVIN SPRECKER, MEMBER

Terri L. Yamashita

TERRI L. YAMASHITA, SECRETARY

CERTIFICATE OF SERVICE

I, Terri L. Yamashita, Secretary of the Board of Tax Appeals of the State of Kansas, do hereby certify that a true and correct copy of this order in Docket No. 2026-3773-IRBX and any attachments thereto, was placed in the United States Mail, on this 30th day of July, 2026, addressed to:

Lisa Lewis, City Clerk
City of Fort Scott
123 S Main Street
Fort Scott, KS 66701

Dominic L Eck, Attorney
Gilmore & Bell PC
100 N Main Ste 800
Wichita, KS 67202-1311

Matt Quick, Bourbon County Appraiser
Bourbon County Courthouse
210 S National
Fort Scott, KS 66701-1330

Patricia Love, Bourbon County Treasurer
Bourbon County Courthouse
210 S National Ave
Fort Scott, KS 66701-1330

and a copy was placed in the capitol complex building mail addressed to:

Kansas Department of Commerce
Attn: Rachel Willis
1000 SW Jackson, Suite 100
Topeka, KS 66612-1354

Division of Property Valuation
Kansas Department of Revenue
Attn: Veronica Dean
300 SW 29th St
PO Box 3506
Topeka, KS 66601-3506

IN TESTIMONY WHEREOF, I have hereunto subscribed my name at Topeka, Kansas.

Terri L. Yamashita
Terri L. Yamashita, Secretary