
TAX - KANSAS

Heartland Apartment Association, Inc. v. City of Mission

Supreme Court of Kansas - April 7, 2017 - P.3d - 2017 WL 1294554

Landowner associations brought action against city for declaratory judgment and recovery of amounts paid, claiming that the city's transportation "user fee," which was assessed on developed real property based on a formula that attempted to estimate the number of vehicle "trips" a particular property generated, was a prohibited excise tax.

The District Court entered summary judgment in favor of city. Associations appealed, and city cross-appealed. The Court of Appeals reversed and remanded. City petitioned for review, which was granted.

The Supreme Court of Kansas held that:

- User fee was a tax rather than a fee, even though revenue generated from user fee was earmarked for maintenance of city streets, and
- User fee was a tax on the enjoyment of a privilege, and thus it was a prohibited excise tax.

City's transportation "user fee," which was assessed on developed real property based on a formula that attempted to estimate the number of vehicle "trips" a particular property generated, was a "tax" rather than a "fee" assessed against those who gained an exclusive benefit of a service, for purposes of determining whether user fee was a prohibited excise tax, even though revenue generated from user fee was earmarked for maintenance of city streets. User fee was levied against owners of all developed property in the city, user fee was a general revenue measure and not for specific improvements, and user fee was not voluntary.

City's transportation "user fee," which was assessed on developed real property based on a formula that attempted to estimate the number of vehicle "trips" a particular property generated, was a tax on the enjoyment of a privilege, and thus user fee was a prohibited excise tax. User fee was a tax on real property owners based on the use of their property rather than a tax on the property itself.

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com