

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

The Committee on **Commerce, Labor and Economic Development** recommends **SB 65** be amended on page 5, in line 18, after "(f)" by inserting "For projects placed into service on and after January 1, 2021, a taxpayer may transfer up to 50% of the tax credit allowed under subsection (e), as provided in this subsection. The taxpayer may make a transfer to one or more transferees, but the total of all transfers shall not exceed 50% of the taxpayer's tax credit. The taxpayer shall make the transfer or transfers within a single tax year. The credit may be transferred to any individual or entity and shall be claimed in the year the credit was transferred against the transferee's tax liability for the income tax under the Kansas income tax act or the premium tax or privilege fees imposed pursuant to K.S.A. 40-252, and amendments thereto, or the privilege tax as measured by the net income of financial institutions imposed pursuant to article 11 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto. The amount of the credit that exceeds the transferee's tax liability for such year may be carried forward for credit in the succeeding taxable year or years until the total amount of the tax credit is used, except that no such credit shall be carried forward for deduction after the 16th taxable year succeeding the taxable year in which such credit was initially claimed. The taxpayer or transferee shall provide such documentation of the tax credit transfer to the secretary of revenue as may be required by the secretary.

(g) In the event the tax credit earned by the taxpayer and transferred to a transferee is later disallowed in whole or in part by the secretary of revenue, the taxpayer that originally earned the tax credit shall be liable for repayment to the state in the amount disallowed.

(h)";

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly;

On page 1, in the title, in line 3, after the semicolon by inserting "transferability of tax credits;"; and the bill be passed as amended.

_____Chairperson