AN ACT concerning income taxation; relating to credits; qualified tuition and related expenses.

Be it enacted by the Legislature of the State of Kansas:

Section 1. (a) For all taxable years commencing after December 31, 2011, there shall be allowed as a credit against the tax liability of a resident individual imposed under the Kansas income tax act an amount equal to 10% of the amount of the credit against such taxpayer’s federal income tax liability pursuant to section 25A of the federal internal revenue code for the taxable year in which such credit was claimed against the taxpayer’s federal income tax liability, if the qualified tuition and related expenses were paid to an eligible educational institution located in the state of Kansas. Except as otherwise provided, as used in this section, terms and phrases shall have the meanings as defined by the provisions of section 25A of the federal internal revenue code.

(b) The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by the Kansas income tax act, reduced by the sum of any other credits allowable pursuant to law. If the amount of such tax credit exceeds the taxpayer's income tax liability for such taxable year, the amount thereof, which exceeds such tax liability, may be carried over for deduction from the taxpayer's income tax liability in the next succeeding taxable year or years until the total amount of the tax credits has been deducted from tax liability.

(c) If, under the provisions of section 25A of the internal revenue code and the accompanying regulations, the taxpayer is required to return any part of the credit claimed under section 25A, then the taxpayer shall be required to make a proportional return of such credit, equal to 10% of the amount which was required to be returned under section 25A of the internal revenue code and the accompanying regulations, as claimed under the provisions of this section to the state of Kansas.

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.