

SESSION OF 2020

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2726**

As Recommended by House Committee on  
Taxation

**Brief\***

HB 2726 would extend the deadline for the filing of Kansas corporation income tax returns to one month after the due date established under federal law. The bill also would provide that no late-filing penalty could be assessed on taxpayers filing state corporation income tax returns when the return is filed within 30 days after having received extensions to file federal returns by the Internal Revenue Service.

The provisions of the bill would be applicable relative to tax year 2019 returns and all future years.

**Background**

The bill was introduced by the House Committee on Taxation at the request of the Kansas Chamber, whose representative appeared as a proponent during the public hearing on March 4. The representative stated the legislation was a recommendation from the Council on State Taxation (COST) to clarify a conflict between federal and state filing deadlines in the wake of recent changes in federal law. Written-only proponent testimony was submitted by a representative of COST.

A fiscal note provided by the Division of Budget indicated the Department of Revenue indicates the bill would have the potential to decrease State General Fund (SGF) receipts, but that any such decrease would be expected to be

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

negligible. The fiscal note also indicated the Department of Revenue would require an additional \$13,710 from the SGF for implementation costs. Any fiscal impact associated with the bill is not reflected in *The FY 2021 Governor's Budget Report*.