

**HOUSE BILL No. 2091**

By Committee on Taxation

1-21

1 AN ACT concerning taxation; relating to income tax; providing a  
2 refundable food sales tax credit; discontinuing the nonrefundable food  
3 sales tax credit; amending K.S.A. 79-32,271 and repealing the existing  
4 section.

5  
6 *Be it enacted by the Legislature of the State of Kansas:*

7 New Section 1. (a) For any taxable year commencing after December  
8 31, 2020, a credit shall be allowed against the tax imposed by the Kansas  
9 income tax act on the Kansas taxable income of an individual taxpayer  
10 who: (1) Purchased food in this state; (2) had federal adjusted gross  
11 income for the tax year that did not exceed \$30,000 if single filing status  
12 or married filing separate filing status or \$40,000 if head of household  
13 filing status or married filing jointly filing status; and (3) meets the  
14 qualifications in subsection (b).

15 (b) The taxpayer filing single, head of household or married filing  
16 separate or the taxpayer and taxpayer's spouse if married filing jointly  
17 must be domiciled in this state during the entire tax year. For purposes of  
18 this credit, "domicile" shall not include any correctional institution, or  
19 portion thereof, as defined in K.S.A. 75-5202, and amendments thereto,  
20 any juvenile correctional facility, or portion thereof, as defined in K.S.A.  
21 38-2302, and amendments thereto, any correctional facility of the federal  
22 bureau of prisons located in the state of Kansas or any city or county jail  
23 facility in the state of Kansas.

24 (c) The amount of the credit shall be \$60 for single filing status and  
25 married filing separate filing status, \$180 for head of household filing  
26 status and \$240 for married filing jointly filing status.

27 (d) If the amount of the credit allowed exceeds the taxpayer's income  
28 tax liability under the Kansas income tax act, such excess amount shall be  
29 refunded to the taxpayer.

30 (e) In the case of all tax years commencing after December 31, 2021,  
31 the threshold income amounts and the amounts of the tax credit, as  
32 prescribed in this section, shall be increased by an amount equal to such  
33 threshold amount and tax credit amount multiplied by the cost-of-living  
34 adjustment determined under section 1(f)(3) of the federal internal revenue  
35 code for the calendar year in which the taxable year commences.

36 (f) The county treasurer of each county shall mail to each taxpayer

1 with the property tax statement of such taxpayer information provided by  
2 the secretary of revenue with respect to claiming of a refund of retailers'  
3 sales taxes paid upon food pursuant to this section.

4 (g) The secretary of revenue is hereby authorized to adopt such rules  
5 and regulations as may be necessary for the administration of the  
6 provisions of this section.

7 Sec. 2. K.S.A. 79-32,271 is hereby amended to read as follows: 79-  
8 32,271. (a) For any taxable year commencing after December 31, 2014,  
9 *and ending prior to January 1, 2021*, a credit shall be allowed against the  
10 tax imposed by the Kansas income tax act on the Kansas taxable income of  
11 an individual income taxpayer who purchased food in this state, had  
12 federal adjusted gross income for the tax year that did not exceed \$30,615,  
13 and meets the qualifications in subsections (b) and (c).

14 (b) During the entire tax year a taxpayer filing single, head of  
15 household, or married filing separate, or the taxpayer and the taxpayer's  
16 spouse if married filing jointly, must be domiciled in this state. For  
17 purposes of this credit, "domicile" shall not include any correctional  
18 facility, or portion thereof, as defined in K.S.A. 75-5202, and amendments  
19 thereto, any juvenile correctional facility, or portion thereof, as defined in  
20 K.S.A. 38-2302, and amendments thereto, any correctional facility of the  
21 federal bureau of prisons located in the state of Kansas, or any city or  
22 county jail facility in the state of Kansas.

23 (c) During the entire tax year a taxpayer filing single, head of  
24 household, or married filing separate, or the taxpayer or the taxpayer's  
25 spouse if married filing jointly, must be either: (1) A person having a  
26 disability, regardless of age; (2) a person without a disability who is 55  
27 years of age or older; or (3) a person without a disability who is younger  
28 than 55 years of age who claims an exemption for one or more dependent  
29 children under 18 years of age.

30 (d) The amount of the credit shall be \$125 for every exemption  
31 claimed on the taxpayer's federal income tax return, except that no  
32 exemption shall be counted for a dependent unless the dependent is a child  
33 under 18 years of age.

34 (e) The credit allowed under this provision shall be applied against  
35 the taxpayer's income tax liability after all other credits allowed under the  
36 income tax act. It shall not be refundable and may not be carried forward.

37 (f) (1) Every taxpayer claiming the credit shall supply the division in  
38 support of a claim, reasonable proof of domicile, age and disability.

39 (2) A claim alleging disability shall be supported by a report of the  
40 examining physician of the claimant with a statement or certificate that the  
41 applicant has a disability as defined in subsection (g).

42 (g) "Disability" means: (1) Inability to engage in any substantial  
43 gainful activity by reason of any medically determinable physical or

1 mental impairment which can be expected to result in death or has lasted  
2 or can be expected to last for a continuous period of not less than 12  
3 months, and an individual shall be determined to be under a disability only  
4 if the physical or mental impairment or impairments are of such severity  
5 that the individual is not only unable to do the individual's previous work  
6 but cannot, considering age, education and work experience, engage in any  
7 other kind of substantial gainful work which exists in the national  
8 economy, regardless of whether such work exists in the immediate area in  
9 which the individual lives or whether a specific job vacancy exists for the  
10 individual, or whether the individual would be hired if application was  
11 made for work. For purposes of this paragraph, with respect to any  
12 individual, "work which exists in the national economy" means work  
13 which exists in significant numbers either in the region where the  
14 individual lives or in several regions of the country; and "physical or  
15 mental impairment" means an impairment that results from anatomical,  
16 physiological or psychological abnormalities which are demonstrable by  
17 medically acceptable clinical and laboratory diagnostic techniques; or

18 (2) blindness and inability by reason of blindness to engage in  
19 substantial gainful activity requiring skills or abilities comparable to those  
20 of any gainful activity in which the individual has previously engaged with  
21 some regularity and over a substantial period of time. For purposes of this  
22 paragraph, "blindness" means central visual acuity of  $^{20}/_{200}$  or less in the  
23 better eye with the use of a correcting lens. An eye which is accompanied  
24 by a limitation in the fields of vision such that the widest diameter of the  
25 visual field subtends an angle no greater than 20 degrees shall be  
26 considered for the purpose of this paragraph as having a central visual  
27 acuity of  $^{20}/_{200}$  or less.

28 (h) The secretary of revenue is hereby authorized to adopt such rules  
29 and regulations as may be necessary for the administration of the  
30 provisions of this section.

31 Sec. 3. K.S.A. 79-32,271 is hereby repealed.

32 Sec. 4. This act shall take effect and be in force from and after its  
33 publication in the statute book.