

SENATE BILL No. 22

By Committee on Assessment and Taxation

1-12

1 AN ACT concerning income taxation; relating to addition and subtraction
2 modifications for the treatment of global intangible low-taxed income,
3 business interest, capital contributions, FDIC premiums, business meals
4 and ~~{,}~~ payment protection program loans and expenses, *social security*
5 *benefits and amounts received from employer-sponsored retirement*
6 *plans*; expanding the expense deduction for income taxpayers and
7 calculating the deduction amount; providing the ability to elect to
8 itemize for individuals; exemption of unemployment *{or other}*
9 compensation income attributable as a result of identity fraud;
10 ~~increasing the net operating loss for corporations; {increasing the~~
11 *Kansas standard deduction;* amending K.S.A. 79-32,117, *{79-*
12 *32,119,}* 79-32,120, 79-32,138, ~~79-32,143~~ and 79-32,143a and
13 repealing the existing sections.

14
15 *WHEREAS, The provisions of section 1 and the amendments made*
16 *to K.S.A. 79-32,117, 79-32,120, 79-32,138 and 79-32,143a, pursuant to*
17 *this act, shall be known and may be cited as the rebuilding employers*
18 *and livelihoods while investing in everyone's future (RELIEF) act.*

19 *Now, therefore:*

20
21 *Be it enacted by the Legislature of the State of Kansas:*

22 New Section 1. Notwithstanding any other provision of law, for any
23 individual whose identity was fraudulently used to secure unemployment
24 compensation *{or any other type of compensation}*, if such individual
25 never received such compensation, such compensation shall not be
26 considered gross income and shall not be taxable for Kansas income tax
27 purposes after determination by the department of revenue that the benefits
28 were obtained fraudulently by another individual.

29 *{The department of revenue shall provide a method for any taxpayer*
30 *subject to the Kansas income tax act to report to the department of*
31 *revenue whether such taxpayer was a victim of fraud due to identity theft*
32 *and whether such fraud resulted in the reporting of any income to the*
33 *federal internal revenue service. The report shall include, but not be*
34 *limited to, the amount of the income reported to the federal internal*

1 *revenue service due to fraud, if known.*

2 Sec. 2. K.S.A. 79-32,117 is hereby amended to read as follows: 79-
3 32,117. (a) The Kansas adjusted gross income of an individual means such
4 individual's federal adjusted gross income for the taxable year, with the
5 modifications specified in this section.

6 (b) There shall be added to federal adjusted gross income:

7 (i) Interest income less any related expenses directly incurred in the
8 purchase of state or political subdivision obligations, to the extent that the
9 same is not included in federal adjusted gross income, on obligations of
10 any state or political subdivision thereof, but to the extent that interest
11 income on obligations of this state or a political subdivision thereof issued
12 prior to January 1, 1988, is specifically exempt from income tax under the
13 laws of this state authorizing the issuance of such obligations, it shall be
14 excluded from computation of Kansas adjusted gross income whether or
15 not included in federal adjusted gross income. Interest income on
16 obligations of this state or a political subdivision thereof issued after
17 December 31, 1987, shall be excluded from computation of Kansas
18 adjusted gross income whether or not included in federal adjusted gross
19 income.

20 (ii) Taxes on or measured by income or fees or payments in lieu of
21 income taxes imposed by this state or any other taxing jurisdiction to the
22 extent deductible in determining federal adjusted gross income and not
23 credited against federal income tax. This paragraph shall not apply to taxes
24 imposed under the provisions of K.S.A. 79-1107 or 79-1108, and
25 amendments thereto, for privilege tax year 1995, and all such years
26 thereafter.

27 (iii) The federal net operating loss deduction, except that the federal
28 net operating loss deduction shall not be added to an individual's federal
29 adjusted gross income for tax years beginning after December 31, 2016.

30 (iv) Federal income tax refunds received by the taxpayer if the
31 deduction of the taxes being refunded resulted in a tax benefit for Kansas
32 income tax purposes during a prior taxable year. Such refunds shall be
33 included in income in the year actually received regardless of the method
34 of accounting used by the taxpayer. For purposes hereof, a tax benefit shall
35 be deemed to have resulted if the amount of the tax had been deducted in
36 determining income subject to a Kansas income tax for a prior year
37 regardless of the rate of taxation applied in such prior year to the Kansas
38 taxable income, but only that portion of the refund shall be included as
39 bears the same proportion to the total refund received as the federal taxes
40 deducted in the year to which such refund is attributable bears to the total
41 federal income taxes paid for such year. For purposes of the foregoing
42 sentence, federal taxes shall be considered to have been deducted only to
43 the extent such deduction does not reduce Kansas taxable income below

1 zero.

2 (v) The amount of any depreciation deduction or business expense
3 deduction claimed on the taxpayer's federal income tax return for any
4 capital expenditure in making any building or facility accessible to the
5 handicapped, for which expenditure the taxpayer claimed the credit
6 allowed by K.S.A. 79-32,177, and amendments thereto.

7 (vi) Any amount of designated employee contributions picked up by
8 an employer pursuant to K.S.A. 12-5005, 20-2603, 74-4919 and 74-4965,
9 and amendments thereto.

10 (vii) The amount of any charitable contribution made to the extent the
11 same is claimed as the basis for the credit allowed pursuant to K.S.A. 79-
12 32,196, and amendments thereto.

13 (viii) The amount of any costs incurred for improvements to a swine
14 facility, claimed for deduction in determining federal adjusted gross
15 income, to the extent the same is claimed as the basis for any credit
16 allowed pursuant to K.S.A. 79-32,204, and amendments thereto.

17 (ix) The amount of any ad valorem taxes and assessments paid and
18 the amount of any costs incurred for habitat management or construction
19 and maintenance of improvements on real property, claimed for deduction
20 in determining federal adjusted gross income, to the extent the same is
21 claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,203,
22 and amendments thereto.

23 (x) Amounts received as nonqualified withdrawals, as defined by
24 K.S.A. 75-643, and amendments thereto, if, at the time of contribution to a
25 family postsecondary education savings account, such amounts were
26 subtracted from the federal adjusted gross income pursuant to K.S.A. 79-
27 32,117(c)(xv), and amendments thereto, or if such amounts are not already
28 included in the federal adjusted gross income.

29 (xi) The amount of any contribution made to the same extent the
30 same is claimed as the basis for the credit allowed pursuant to K.S.A. 74-
31 50,154, and amendments thereto.

32 (xii) For taxable years commencing after December 31, 2004,
33 amounts received as withdrawals not in accordance with the provisions of
34 K.S.A. 74-50,204, and amendments thereto, if, at the time of contribution
35 to an individual development account, such amounts were subtracted from
36 the federal adjusted gross income pursuant to subsection (c)(xiii), or if
37 such amounts are not already included in the federal adjusted gross
38 income.

39 (xiii) The amount of any expenditures claimed for deduction in
40 determining federal adjusted gross income, to the extent the same is
41 claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,217
42 through 79-32,220 or 79-32,222, and amendments thereto.

43 (xiv) The amount of any amortization deduction claimed in

1 determining federal adjusted gross income to the extent the same is
2 claimed for deduction pursuant to K.S.A. 79-32,221, and amendments
3 thereto.

4 (xv) The amount of any expenditures claimed for deduction in
5 determining federal adjusted gross income, to the extent the same is
6 claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,223
7 through 79-32,226, 79-32,228 through 79-32,231, 79-32,233 through 79-
8 32,236, 79-32,238 through 79-32,241, 79-32,245 through 79-32,248 or 79-
9 32,251 through 79-32,254, and amendments thereto.

10 (xvi) The amount of any amortization deduction claimed in
11 determining federal adjusted gross income to the extent the same is
12 claimed for deduction pursuant to K.S.A. 79-32,227, 79-32,232, 79-
13 32,237, 79-32,249, 79-32,250 or 79-32,255, and amendments thereto.

14 (xvii) The amount of any amortization deduction claimed in
15 determining federal adjusted gross income to the extent the same is
16 claimed for deduction pursuant to K.S.A. 79-32,256, and amendments
17 thereto.

18 (xviii) For taxable years commencing after December 31, 2006, the
19 amount of any ad valorem or property taxes and assessments paid to a state
20 other than Kansas or local government located in a state other than Kansas
21 by a taxpayer who resides in a state other than Kansas, when the law of
22 such state does not allow a resident of Kansas who earns income in such
23 other state to claim a deduction for ad valorem or property taxes or
24 assessments paid to a political subdivision of the state of Kansas in
25 determining taxable income for income tax purposes in such other state, to
26 the extent that such taxes and assessments are claimed as an itemized
27 deduction for federal income tax purposes.

28 (xix) For taxable years beginning after December 31, 2012, and
29 ending before January 1, 2017, the amount of any: (1) Loss from business
30 as determined under the federal internal revenue code and reported from
31 schedule C and on line 12 of the taxpayer's form 1040 federal individual
32 income tax return; (2) loss from rental real estate, royalties, partnerships, S
33 corporations, except those with wholly owned subsidiaries subject to the
34 Kansas privilege tax, estates, trusts, residual interest in real estate
35 mortgage investment conduits and net farm rental as determined under the
36 federal internal revenue code and reported from schedule E and on line 17
37 of the taxpayer's form 1040 federal individual income tax return; and (3)
38 farm loss as determined under the federal internal revenue code and
39 reported from schedule F and on line 18 of the taxpayer's form 1040
40 federal income tax return; all to the extent deducted or subtracted in
41 determining the taxpayer's federal adjusted gross income. For purposes of
42 this subsection, references to the federal form 1040 and federal schedule
43 C, schedule E, and schedule F, shall be to such form and schedules as they

1 existed for tax year 2011, and as revised thereafter by the internal revenue
2 service.

3 (xx) For taxable years beginning after December 31, 2012, and
4 ending before January 1, 2017, the amount of any deduction for self-
5 employment taxes under section 164(f) of the federal internal revenue
6 code as in effect on January 1, 2012, and amendments thereto, in
7 determining the federal adjusted gross income of an individual taxpayer, to
8 the extent the deduction is attributable to income reported on schedule C,
9 E or F and on line 12, 17 or 18 of the taxpayer's form 1040 federal income
10 tax return.

11 (xxi) For taxable years beginning after December 31, 2012, and
12 ending before January 1, 2017, the amount of any deduction for pension,
13 profit sharing, and annuity plans of self-employed individuals under
14 section 62(a)(6) of the federal internal revenue code as in effect on January
15 1, 2012, and amendments thereto, in determining the federal adjusted gross
16 income of an individual taxpayer.

17 (xxii) For taxable years beginning after December 31, 2012, and
18 ending before January 1, 2017, the amount of any deduction for health
19 insurance under section 162(l) of the federal internal revenue code as in
20 effect on January 1, 2012, and amendments thereto, in determining the
21 federal adjusted gross income of an individual taxpayer.

22 (xxiii) For taxable years beginning after December 31, 2012, and
23 ending before January 1, 2017, the amount of any deduction for domestic
24 production activities under section 199 of the federal internal revenue code
25 as in effect on January 1, 2012, and amendments thereto, in determining
26 the federal adjusted gross income of an individual taxpayer.

27 (xxiv) For taxable years commencing after December 31, 2013, that
28 portion of the amount of any expenditure deduction claimed in
29 determining federal adjusted gross income for expenses paid for medical
30 care of the taxpayer or the taxpayer's spouse or dependents when such
31 expenses were paid or incurred for an abortion, or for a health benefit plan,
32 as defined in K.S.A. 65-6731, and amendments thereto, for the purchase of
33 an optional rider for coverage of abortion in accordance with K.S.A. 2020
34 Supp. 40-2,190, and amendments thereto, to the extent that such taxes and
35 assessments are claimed as an itemized deduction for federal income tax
36 purposes.

37 (xxv) For taxable years commencing after December 31, 2013, that
38 portion of the amount of any expenditure deduction claimed in
39 determining federal adjusted gross income for expenses paid by a taxpayer
40 for health care when such expenses were paid or incurred for abortion
41 coverage, a health benefit plan, as defined in K.S.A. 65-6731, and
42 amendments thereto, when such expenses were paid or incurred for
43 abortion coverage or amounts contributed to health savings accounts for

1 such taxpayer's employees for the purchase of an optional rider for
2 coverage of abortion in accordance with K.S.A. 2020 Supp. 40-2,190, and
3 amendments thereto, to the extent that such taxes and assessments are
4 claimed as a deduction for federal income tax purposes.

5 (xxvi) For all taxable years beginning after December 31, 2016, the
6 amount of any charitable contribution made to the extent the same is
7 claimed as the basis for the credit allowed pursuant to K.S.A. 72-99a07,
8 and amendments thereto, and is also claimed as an itemized deduction for
9 federal income tax purposes.

10 (xxvii) *For all taxable years commencing after December 31, ~~2019~~*
11 **2020**, *the amount deducted by reason of a carryforward of disallowed*
12 *business interest pursuant to section 163(j) of the federal internal revenue*
13 *code of 1986, as in effect on January 1, 2018.*

14 (c) There shall be subtracted from federal adjusted gross income:

15 (i) Interest or dividend income on obligations or securities of any
16 authority, commission or instrumentality of the United States and its
17 possessions less any related expenses directly incurred in the purchase of
18 such obligations or securities, to the extent included in federal adjusted
19 gross income but exempt from state income taxes under the laws of the
20 United States.

21 (ii) Any amounts received which are included in federal adjusted
22 gross income but which are specifically exempt from Kansas income
23 taxation under the laws of the state of Kansas.

24 (iii) The portion of any gain or loss from the sale or other disposition
25 of property having a higher adjusted basis for Kansas income tax purposes
26 than for federal income tax purposes on the date such property was sold or
27 disposed of in a transaction in which gain or loss was recognized for
28 purposes of federal income tax that does not exceed such difference in
29 basis, but if a gain is considered a long-term capital gain for federal
30 income tax purposes, the modification shall be limited to that portion of
31 such gain which is included in federal adjusted gross income.

32 (iv) The amount necessary to prevent the taxation under this act of
33 any annuity or other amount of income or gain which was properly
34 included in income or gain and was taxed under the laws of this state for a
35 taxable year prior to the effective date of this act, as amended, to the
36 taxpayer, or to a decedent by reason of whose death the taxpayer acquired
37 the right to receive the income or gain, or to a trust or estate from which
38 the taxpayer received the income or gain.

39 (v) The amount of any refund or credit for overpayment of taxes on
40 or measured by income or fees or payments in lieu of income taxes
41 imposed by this state, or any taxing jurisdiction, to the extent included in
42 gross income for federal income tax purposes.

43 (vi) Accumulation distributions received by a taxpayer as a

1 beneficiary of a trust to the extent that the same are included in federal
2 adjusted gross income.

3 (vii) Amounts received as annuities under the federal civil service
4 retirement system from the civil service retirement and disability fund and
5 other amounts received as retirement benefits in whatever form which
6 were earned for being employed by the federal government or for service
7 in the armed forces of the United States.

8 (viii) Amounts received by retired railroad employees as a
9 supplemental annuity under the provisions of 45 U.S.C. §§ 228b(a) and
10 228c(a)(1) et seq.

11 (ix) Amounts received by retired employees of a city and by retired
12 employees of any board of such city as retirement allowances pursuant to
13 K.S.A. 13-14,106, and amendments thereto, or pursuant to any charter
14 ordinance exempting a city from the provisions of K.S.A. 13-14,106, and
15 amendments thereto.

16 (x) For taxable years beginning after December 31, 1976, the amount
17 of the federal tentative jobs tax credit disallowance under the provisions of
18 26 U.S.C. § 280C. For taxable years ending after December 31, 1978, the
19 amount of the targeted jobs tax credit and work incentive credit
20 disallowances under 26 U.S.C. § 280C.

21 (xi) For taxable years beginning after December 31, 1986, dividend
22 income on stock issued by Kansas venture capital, inc.

23 (xii) For taxable years beginning after December 31, 1989, amounts
24 received by retired employees of a board of public utilities as pension and
25 retirement benefits pursuant to K.S.A. 13-1246, 13-1246a and 13-1249,
26 and amendments thereto.

27 (xiii) For taxable years beginning after December 31, 2004, amounts
28 contributed to and the amount of income earned on contributions deposited
29 to an individual development account under K.S.A. 74-50,201 et seq., and
30 amendments thereto.

31 (xiv) For all taxable years commencing after December 31, 1996, that
32 portion of any income of a bank organized under the laws of this state or
33 any other state, a national banking association organized under the laws of
34 the United States, an association organized under the savings and loan
35 code of this state or any other state, or a federal savings association
36 organized under the laws of the United States, for which an election as an
37 S corporation under subchapter S of the federal internal revenue code is in
38 effect, which accrues to the taxpayer who is a stockholder of such
39 corporation and which is not distributed to the stockholders as dividends of
40 the corporation. For taxable years beginning after December 31, 2012, and
41 ending before January 1, 2017, the amount of modification under this
42 subsection shall exclude the portion of income or loss reported on schedule
43 E and included on line 17 of the taxpayer's form 1040 federal individual

1 income tax return.

2 (xv) For all taxable years beginning after December 31, 2017, the
3 cumulative amounts not exceeding \$3,000, or \$6,000 for a married couple
4 filing a joint return, for each designated beneficiary that are contributed to:
5 (1) A family postsecondary education savings account established under
6 the Kansas postsecondary education savings program or a qualified tuition
7 program established and maintained by another state or agency or
8 instrumentality thereof pursuant to section 529 of the internal revenue
9 code of 1986, as amended, for the purpose of paying the qualified higher
10 education expenses of a designated beneficiary; or (2) an achieving a
11 better life experience (ABLE) account established under the Kansas ABLE
12 savings program or a qualified ABLE program established and maintained
13 by another state or agency or instrumentality thereof pursuant to section
14 529A of the internal revenue code of 1986, as amended, for the purpose of
15 saving private funds to support an individual with a disability. The terms
16 and phrases used in this paragraph shall have the meaning respectively
17 ascribed thereto by the provisions of K.S.A. 75-643 and 75-652, and
18 amendments thereto, and the provisions of such sections are hereby
19 incorporated by reference for all purposes thereof.

20 (xvi) For all taxable years beginning after December 31, 2004,
21 amounts received by taxpayers who are or were members of the armed
22 forces of the United States, including service in the Kansas army and air
23 national guard, as a recruitment, sign up or retention bonus received by
24 such taxpayer as an incentive to join, enlist or remain in the armed services
25 of the United States, including service in the Kansas army and air national
26 guard, and amounts received for repayment of educational or student loans
27 incurred by or obligated to such taxpayer and received by such taxpayer as
28 a result of such taxpayer's service in the armed forces of the United States,
29 including service in the Kansas army and air national guard.

30 (xvii) For all taxable years beginning after December 31, 2004,
31 amounts received by taxpayers who are eligible members of the Kansas
32 army and air national guard as a reimbursement pursuant to K.S.A. 48-
33 281, and amendments thereto, and amounts received for death benefits
34 pursuant to K.S.A. 48-282, and amendments thereto, ~~or pursuant to section~~
35 ~~1 or section 2 of chapter 207 of the 2005 Session Laws of Kansas, and~~
36 ~~amendments thereto,~~ to the extent that such death benefits are included in
37 federal adjusted gross income of the taxpayer.

38 ~~(xviii) For the taxable year beginning after December 31, 2006,~~
39 ~~amounts received as benefits under the federal social security act which~~
40 ~~are included in federal adjusted gross income of a taxpayer with federal~~
41 ~~adjusted gross income of \$50,000 or less, whether such taxpayer's filing~~
42 ~~status is single, head of household, married filing separate or married filing~~
43 ~~jointly; and (1)} For all taxable years beginning after December 31, 2007,~~

1 *{and ending before January 1, 2021,}* amounts received as benefits under
2 the federal social security act which are included in federal adjusted gross
3 income of a taxpayer with federal adjusted gross income of \$75,000 or
4 less, whether such taxpayer's filing status is single, head of household,
5 married filing separate or married filing jointly}; *and*

6 *(2) for all taxable years beginning after December 31, 2020,*
7 *amounts received as benefits under the federal social security act that*
8 *are included in federal adjusted gross income of a taxpayer}.*

9 (xix) Amounts received by retired employees of Washburn university
10 as retirement and pension benefits under the university's retirement plan.

11 (xx) For taxable years beginning after December 31, 2012, and
12 ending before January 1, 2017, the amount of any: (1) Net profit from
13 business as determined under the federal internal revenue code and
14 reported from schedule C and on line 12 of the taxpayer's form 1040
15 federal individual income tax return; (2) net income, not including
16 guaranteed payments as defined in section 707(c) of the federal internal
17 revenue code and as reported to the taxpayer from federal schedule K-1,
18 (form 1065-B), in box 9, code F or as reported to the taxpayer from federal
19 schedule K-1, (form 1065) in box 4, from rental real estate, royalties,
20 partnerships, S corporations, estates, trusts, residual interest in real estate
21 mortgage investment conduits and net farm rental as determined under
22 the federal internal revenue code and reported from schedule E and on line 17
23 of the taxpayer's form 1040 federal individual income tax return; and (3)
24 net farm profit as determined under the federal internal revenue code and
25 reported from schedule F and on line 18 of the taxpayer's form 1040
26 federal income tax return; all to the extent included in the taxpayer's
27 federal adjusted gross income. For purposes of this subsection, references
28 to the federal form 1040 and federal schedule C, schedule E, and schedule
29 F, shall be to such form and schedules as they existed for tax year 2011
30 and as revised thereafter by the internal revenue service.

31 (xxi) For all taxable years beginning after December 31, 2013,
32 amounts equal to the unreimbursed travel, lodging and medical
33 expenditures directly incurred by a taxpayer while living, or a dependent
34 of the taxpayer while living, for the donation of one or more human organs
35 of the taxpayer, or a dependent of the taxpayer, to another person for
36 human organ transplantation. The expenses may be claimed as a
37 subtraction modification provided for in this section to the extent the
38 expenses are not already subtracted from the taxpayer's federal adjusted
39 gross income. In no circumstances shall the subtraction modification
40 provided for in this section for any individual, or a dependent, exceed
41 \$5,000. As used in this section, "human organ" means all or part of a liver,
42 pancreas, kidney, intestine, lung or bone marrow. The provisions of this
43 paragraph shall take effect on the day the secretary of revenue certifies to

1 the director of the budget that the cost for the department of revenue of
2 modifications to the automated tax system for the purpose of
3 implementing this paragraph will not exceed \$20,000.

4 (xxii) For taxable years beginning after December 31, 2012, and
5 ending before January 1, 2017, the amount of net gain from the sale of: (1)
6 Cattle and horses, regardless of age, held by the taxpayer for draft,
7 breeding, dairy or sporting purposes, and held by such taxpayer for 24
8 months or more from the date of acquisition; and (2) other livestock,
9 regardless of age, held by the taxpayer for draft, breeding, dairy or
10 sporting purposes, and held by such taxpayer for 12 months or more from
11 the date of acquisition. The subtraction from federal adjusted gross income
12 shall be limited to the amount of the additions recognized under the
13 provisions of subsection (b)(xix) attributable to the business in which the
14 livestock sold had been used. As used in this paragraph, the term
15 "livestock" shall not include poultry.

16 (xxiii) For all taxable years beginning after December 31, 2012,
17 amounts received under either the Overland Park, Kansas police
18 department retirement plan or the Overland Park, Kansas fire department
19 retirement plan, both as established by the city of Overland Park, pursuant
20 to the city's home rule authority.

21 (xxiv) For taxable years beginning after December 31, 2013, and
22 ending before January 1, 2017, the net gain from the sale from Christmas
23 trees grown in Kansas and held by the taxpayer for six years or more.

24 (xxv) *For all taxable years commencing after December 31,*
25 ~~2019~~**2020**, *100% of global intangible low-taxed income under section*
26 *951A of the federal internal revenue code of 1986, before any deductions*
27 *allowed under section 250(a)(1)(B) of such code.*

28 (xxvi) *For all taxable years commencing after December 31,*~~2019~~
29 **2020**, *the amount disallowed as a deduction pursuant to section 163(j) of*
30 *the federal internal revenue code of 1986, as in effect on January 1, 2018.*

31 (xxvii) *For taxable years commencing after December 31,*~~2019~~
32 **2020**, *the amount disallowed as a deduction pursuant to section 274 of the*
33 *federal internal revenue code of 1986 for meal expenditures shall be*
34 *allowed to the extent such expense was deductible for determining federal*
35 *income tax and was allowed and in effect on December 31, 2017.*

36 (xxviii) *For taxable years commencing after December 31, 2019,*
37 *amounts received from the paycheck protection program pursuant to*
38 *sections 1102 and 1106 of Public Law 116-136, if such amounts were*
39 *included in the taxpayer's federal adjusted gross income.*

40 (xxix) *For taxable years commencing after December 31, 2019, the*
41 *amount of any expenses provided under section 276 of the consolidated*
42 *appropriations act, 2021 and not allowed as a deduction in determining*
43 *the federal adjusted gross income of an individual taxpayer.*

1 *{(xxx) For all taxable years beginning after December 31, 2020,*
2 *amounts received by retired individuals under employer-sponsored*
3 *qualified or nonqualified retirement plans, including plans created by*
4 *self-employed individuals, to the extent included in federal adjusted*
5 *gross income.}*

6 (d) There shall be added to or subtracted from federal adjusted gross
7 income the taxpayer's share, as beneficiary of an estate or trust, of the
8 Kansas fiduciary adjustment determined under K.S.A. 79-32,135, and
9 amendments thereto.

10 (e) The amount of modifications required to be made under this
11 section by a partner which relates to items of income, gain, loss, deduction
12 or credit of a partnership shall be determined under K.S.A. 79-32,131, and
13 amendments thereto, to the extent that such items affect federal adjusted
14 gross income of the partner.

15 (f) No taxpayer shall be assessed penalties and interest from the
16 underpayment of taxes due to changes to this section that became law on
17 July 1, 2017, so long as such underpayment is rectified on or before April
18 17, 2018.

19 Sec. 3. K.S.A. 79-32,120 is hereby amended to read as follows: 79-
20 32,120. (a) (1) (A) *For all tax years prior to tax year-2021 2020*, if federal
21 taxable income of an individual is determined by itemizing deductions
22 from such individual's federal adjusted gross income, such individual may
23 elect to deduct the Kansas itemized deduction in lieu of the Kansas
24 standard deduction.

25 *(B) For tax year-2021 2020, and all tax years thereafter, an*
26 *individual may elect to deduct the Kansas itemized deduction in lieu of the*
27 *Kansas standard deduction, regardless of whether or not such individual's*
28 *federal taxable income is determined by itemizing deductions from such*
29 *individual's federal adjusted gross income.*

30 ~~(2) For the tax year commencing on January 1, 2013, the Kansas~~
31 ~~itemized deduction of an individual means 70% of the total amount of~~
32 ~~deductions from federal adjusted gross income, other than federal~~
33 ~~deductions for personal exemptions, as provided in the federal internal~~
34 ~~revenue code with the modifications specified in this section.~~

35 ~~(3) For the tax year commencing on January 1, 2014, the Kansas~~
36 ~~itemized deduction of an individual means 65% of the total amount of~~
37 ~~deductions from federal adjusted gross income, other than federal~~
38 ~~deductions for personal exemptions, as provided in the federal internal~~
39 ~~revenue code with the modifications specified in this section.~~

40 ~~(4) For the tax years commencing on and after January 1, 2015, and~~
41 ~~ending before January 1, 2018, the Kansas itemized deduction of an~~
42 ~~individual means the following deductions from federal adjusted gross~~
43 ~~income, other than federal deductions for personal exemptions, as~~

1 provided in the federal internal revenue code with the modifications
2 specified in this section: (A) 100% of charitable contributions that qualify
3 as charitable contributions allowable as deductions in section 170 of the
4 federal internal revenue code; (B) 50% of the amount of qualified
5 residence interest as provided in section 163(h) of the federal internal
6 revenue code; and (C) 50% of the amount of taxes on real and personal
7 property as provided in section 164(a) of the federal internal revenue code.

8 ~~(5)~~(3) For the tax year commencing on and after January 1, 2018, and
9 ending before January 1, 2019, the Kansas itemized deduction of an
10 individual means the following deductions from federal adjusted gross
11 income, other than federal deductions for personal exemptions, as
12 provided in the federal internal revenue code with the modifications
13 specified in this section: (A) 100% of charitable contributions that qualify
14 as charitable contributions allowable as deductions in section 170 of the
15 federal internal revenue code; (B) 50% of expenses for medical care
16 allowable as deductions in section 213 of the federal internal revenue
17 code; (C) 50% of the amount of qualified residence interest as provided in
18 section 163(h) of the federal internal revenue code; and (D) 50% of the
19 amount of taxes on real and personal property as provided in section
20 164(a) of the federal internal revenue code.

21 ~~(6)~~(4) For the tax year commencing on and after January 1, 2019, and
22 ending before January 1, 2020, the Kansas itemized deduction of an
23 individual means the following deductions from federal adjusted gross
24 income, other than federal deductions for personal exemptions, as
25 provided in the federal internal revenue code with the modifications
26 specified in this section: (A) 100% of charitable contributions that qualify
27 as charitable contributions allowable as deductions in section 170 of the
28 federal internal revenue code; (B) 75% of expenses for medical care
29 allowable as deductions in section 213 of the federal internal revenue
30 code; (C) 75% of the amount of qualified residence interest as provided in
31 section 163(h) of the federal internal revenue code; and (D) 75% of the
32 amount of taxes on real and personal property as provided in section
33 164(a) of the federal internal revenue code.

34 ~~(7)~~(5) For the tax years commencing on and after January 1, 2020, the
35 Kansas itemized deduction of an individual means the following
36 deductions from federal adjusted gross income, other than federal
37 deductions for personal exemptions, as provided in the federal internal
38 revenue code with the modifications specified in this section: (A) 100% of
39 charitable contributions that qualify as charitable contributions allowable
40 as deductions in section 170 of the federal internal revenue code; (B)
41 100% of expenses for medical care allowable as deductions in section 213
42 of the federal internal revenue code; (C) 100% of the amount of qualified
43 residence interest as provided in section 163(h) of the federal internal

1 revenue code; and (D) 100% of the amount of taxes on real and personal
2 property as provided in section 164(a) of the federal internal revenue code.

3 (b) The total amount of deductions from federal adjusted gross
4 income shall be reduced by the total amount of income taxes imposed by
5 or paid to this state or any other taxing jurisdiction to the extent that the
6 same are deducted in determining the federal itemized deductions and by
7 the amount of all depreciation deductions claimed for any real or tangible
8 personal property upon which the deduction allowed by K.S.A. 79-32,221,
9 79-32,227, 79-32,232, 79-32,237, 79-32,249, 79-32,250, 79-32,255 or 79-
10 32,256, and amendments thereto, is or has been claimed.

11 Sec. 4. K.S.A. 79-32,138 is hereby amended to read as follows: 79-
12 32,138. (a) Kansas taxable income of a corporation taxable under this act
13 shall be the corporation's federal taxable income for the taxable year with
14 the modifications specified in this section, *except that in determination of*
15 *such federal taxable income for all taxable years commencing after*
16 *December 31, ~~2019~~ 2020, section 118 of the federal internal revenue code*
17 *of 1986 shall be applied as in effect on December 21, 2017.*

18 (b) There shall be added to federal taxable income:

19 (i) The same modifications as are set forth in K.S.A. 79-32,117(b),
20 and amendments thereto, with respect to resident individuals, except
21 subsections (b)(xix), (b)(xx), (b)(xxi), (b)(xxii) and (b)(xxiii);

22 (ii) the amount of all depreciation deductions claimed for any
23 property upon which the deduction allowed by K.S.A. 79-32,221, 79-
24 32,227, 79-32,232, 79-32,237, 79-32,249, 79-32,250, 79-32,255 or 79-
25 32,256, and amendments thereto, is claimed;

26 (iii) the amount of any charitable contribution deduction claimed for
27 any contribution or gift to or for the use of any racially segregated
28 educational institution;

29 (iv) for taxable years commencing December 31, 2013, that portion
30 of the amount of any expenditure deduction claimed in determining federal
31 adjusted gross income for expenses paid by a taxpayer for health care
32 when such expenses were paid or incurred for abortion coverage, a health
33 benefit plan, as defined in K.S.A. 65-6731, and amendments thereto, when
34 such expenses were paid or incurred for abortion coverage or amounts
35 contributed to health savings accounts for such taxpayer's employees for
36 the purchase of an optional rider for coverage of abortion in accordance
37 with K.S.A. 2020 Supp. 40-2,190, and amendments thereto;

38 (v) the amount of any charitable contribution deduction claimed for
39 any contribution or gift made to a scholarship granting organization to the
40 extent the same is claimed as the basis for the credit allowed pursuant to
41 K.S.A. 72-4357, and amendments thereto; ~~and~~

42 (vi) the federal net operating loss deduction; *and*

43 (vii) *for all taxable years commencing after December 31, ~~2019~~*

1 **2020**, the amount of any deduction claimed under section 250(a)(1)(B) of
2 the federal internal revenue code of 1986.

3 (c) There shall be subtracted from federal taxable income:

4 (i) The same modifications as are set forth in K.S.A. 79-32,117(c),
5 and amendments thereto, with respect to resident individuals, except
6 subsection (c)(xx);

7 (ii) the federal income tax liability for any taxable year commencing
8 prior to December 31, 1971, for which a Kansas return was filed after
9 reduction for all credits thereon, except credits for payments on estimates
10 of federal income tax, credits for gasoline and lubricating oil tax, and for
11 foreign tax credits if, on the Kansas income tax return for such prior year,
12 the federal income tax deduction was computed on the basis of the federal
13 income tax paid in such prior year, rather than as accrued. Notwithstanding
14 the foregoing, the deduction for federal income tax liability for any year
15 shall not exceed that portion of the total federal income tax liability for
16 such year which bears the same ratio to the total federal income tax
17 liability for such year as the Kansas taxable income, as computed before
18 any deductions for federal income taxes and after application of
19 subsections (d) and (e) ~~of this section~~ as existing for such year, bears to the
20 federal taxable income for the same year;

21 (iii) an amount for the amortization deduction allowed pursuant to
22 K.S.A. 79-32,221, 79-32,227, 79-32,232, 79-32,237, 79-32,249, 79-
23 32,250, 79-32,255 or 79-32,256, and amendments thereto;

24 (iv) for all taxable years commencing after December 31, 1987, the
25 amount included in federal taxable income pursuant to the provisions of
26 section 78 of the internal revenue code; ~~and~~

27 ~~(v) for all taxable years commencing after December 31, 1987, 80%~~
28 ~~of dividends from corporations incorporated outside of the United States~~
29 ~~or the District of Columbia which are included in federal taxable income.~~
30 ~~As used in this paragraph, "dividends" includes amounts included in~~
31 ~~income under section 965 of the federal internal revenue code of 1986, net~~
32 ~~of the deduction permitted by section 965(c) of the federal internal~~
33 ~~revenue code of 1986. For all taxable years commencing prior to January~~
34 ~~1, 2020, "dividends" also includes global intangible low-taxed income~~
35 ~~included in income under section 951A of the federal internal revenue~~
36 ~~code of 1986, net of the deduction in section 250(a)(1)(B) of the federal~~
37 ~~internal revenue code of 1986. For all taxable years commencing after~~
38 ~~December 31, 2019~~ **2020**, this paragraph does not apply to amounts
39 excluded from income pursuant to K.S.A. 79-32,117(c)(xxv), and
40 amendments thereto, or amounts added back pursuant to K.S.A. 79-
41 32,138(b)(vii), and amendments thereto; and

42 (vi) for all taxable years commencing after December 31, ~~2019~~ **2020**,
43 the amount disallowed as a deduction pursuant to section 162(r) of the

1 *federal internal revenue code of 1986, as in effect on January 1, 2018.*

2 (d) If any corporation derives all of its income from sources within
3 Kansas in any taxable year commencing after December 31, 1979, its
4 Kansas taxable income shall be the sum resulting after application of
5 subsections (a) through (c) ~~hereof~~. Otherwise, such corporation's Kansas
6 taxable income in any such taxable year, after excluding any refunds of
7 federal income tax and before the deduction of federal income taxes
8 provided by subsection (c)(ii) shall be allocated as provided in K.S.A. 79-
9 3271 ~~to K.S.A. through 79-3293, inclusive~~, and amendments thereto, plus
10 any refund of federal income tax as determined under K.S.A. 79-32,117(b)
11 (iv), and amendments thereto, and minus the deduction for federal income
12 taxes as provided by subsection (c)(ii) shall be such corporation's Kansas
13 taxable income.

14 (e) A corporation may make an election with respect to its first
15 taxable year commencing after December 31, 1982, whereby no addition
16 modifications as provided for in subsection (b)(ii) and subtraction
17 modifications as provided for in subsection (c)(iii) as those subsections
18 existed prior to their amendment by this act, shall be required to be made
19 for such taxable year.

20 ~~Sec. 5.—K.S.A. 79-32,143 is hereby amended to read as follows: 79-~~
21 ~~32,143. (a) For net operating losses incurred in taxable years beginning~~
22 ~~after December 31, 1987 Except as otherwise provided in subsection (h), a~~
23 ~~net operating loss deduction shall be allowed in the same manner that it is~~
24 ~~allowed under the federal internal revenue code except that such net~~
25 ~~operating loss may only be carried forward to each of the 10 taxable years~~
26 ~~following the taxable year of the net operating loss. For net operating farm~~
27 ~~losses, as defined by subsection (i) of section 172(i) of the federal internal~~
28 ~~revenue code, incurred in taxable years beginning after December 31,~~
29 ~~1999, a net operating loss deduction shall be allowed in the same manner~~
30 ~~that it is allowed under the federal internal revenue code except that such~~
31 ~~net operating loss may be carried forward to each of the 10 taxable years~~
32 ~~following the taxable year of the net operating loss. The amount of the net~~
33 ~~operating loss that may be carried back or forward for Kansas income tax~~
34 ~~purposes shall be that portion of the federal net operating loss allocated to~~
35 ~~Kansas under this act in the taxable year that the net operating loss is~~
36 ~~sustained.~~

37 (b) ~~The amount of the loss to be carried back or forward will be the~~
38 ~~federal net operating loss after: (1) All modifications required under this~~
39 ~~act applicable to the net loss in the year the loss was incurred; and (2) after~~
40 ~~apportionment as to source in the case of corporations, nonresident~~
41 ~~individuals for losses incurred in taxable years beginning prior to January~~
42 ~~1, 1978, and nonresident estates and trusts in the same manner that income~~
43 ~~for such corporations, nonresident individuals, estates and trusts is~~

1 required to be apportioned.

2 ~~(e) If a net operating loss was incurred in a taxable year beginning~~
3 ~~prior to January 1, 1988, the amount of the net operating loss that may be~~
4 ~~carried back and carried forward and the period for which it may be~~
5 ~~carried back and carried forward shall be determined under the provisions~~
6 ~~of the Kansas income tax laws which were in effect during the year that~~
7 ~~such net operating loss was incurred.~~

8 ~~(d) If any portion of a net operating loss described in subsections (a)~~
9 ~~and (b) is not utilized prior to the final year of the carryforward period~~
10 ~~provided in subsection (a), a refund shall be allowable in such final year in~~
11 ~~an amount equal to the refund which would have been allowable in the~~
12 ~~taxable year the loss was incurred by utilizing the three year carryback~~
13 ~~provided under K.S.A. 79-32,143, as in effect on December 31, 1987,~~
14 ~~multiplied by a fraction, the numerator of which is the unused portion of~~
15 ~~such net operating loss in the final year, and the denominator of which is~~
16 ~~the amount of such net operating loss which could have been carried back~~
17 ~~to the three years immediately preceding the year in which the loss was~~
18 ~~incurred. In no event may such fraction exceed 1.~~

19 ~~(e) Notwithstanding any other provisions of the Kansas income tax~~
20 ~~act, the net operating loss as computed under subsections (a), (b) and (c) of~~
21 ~~this section shall be allowed in full in determining Kansas taxable income~~
22 ~~or at the option of the taxpayer allowed in full in determining Kansas~~
23 ~~adjusted gross income.~~

24 ~~(f) No refund of income tax which results from a net operating farm~~
25 ~~loss carry back shall be allowed in an amount exceeding \$1,500 in any~~
26 ~~year. Any overpayment in excess of \$1,500 may be carried forward to any~~
27 ~~year or years after the year of the loss and may be claimed as a credit~~
28 ~~against the tax. The refundable portion of such credit shall not exceed~~
29 ~~\$1,500 in any year.~~

30 ~~(g) For tax year 2013, and all tax years thereafter, a net operating loss~~
31 ~~allowed by this section shall only be available to taxpayers subject to the~~
32 ~~income tax on corporations imposed pursuant to subsection (c) of K.S.A.~~
33 ~~79-32,110(c), and amendments thereto, and used only to determine such~~
34 ~~taxpayer's corporate income tax liability.~~

35 ~~(h) For tax years 2018, 2019 and 2020, the net operating loss,~~
36 ~~including the calculation of any carry forward or carry back, shall be~~
37 ~~equal and be determined by the federal net operating loss provided for in~~
38 ~~the CARES act Public Law 116-136.~~

39 Sec. 6. 5. K.S.A. 79-32,143a is hereby amended to read as follows:
40 79-32,143a. (a) For taxable years beginning after December 31, ~~2011~~
41 ~~2020~~, a taxpayer may elect to take an expense deduction from Kansas net
42 income before expensing or recapture allocated or apportioned to this state
43 for the cost of the following property placed in service in this state during

1 the taxable year: (1) Tangible property eligible for depreciation under the
2 modified accelerated cost recovery system in section 168 of the internal
3 revenue code, as amended, but not including residential rental property,
4 nonresidential real property, any railroad grading or tunnel bore or any
5 other property with an applicable recovery period in excess of 25 years as
6 defined under section 168(c) or (g) of the internal revenue code, as
7 amended; and (2) computer software as defined in section 197(e)(3)(B) of
8 the internal revenue code, as amended, and as described in section 197(e)
9 (3)(A)(i) of the internal revenue code, as amended, to which section 167 of
10 the internal revenue code, as amended, applies. If such election is made,
11 the amount of expense deduction for such cost shall equal the difference
12 between the depreciable cost of such property for federal income tax
13 purposes and the *sum of the* amount of bonus depreciation being claimed
14 for such property pursuant to section 168(k) *and the amount of expensing*
15 *deduction being claimed for such property pursuant to section 179* of the
16 internal revenue code, as amended, for federal income tax purposes in such
17 tax year, ~~but without regard to any expense deduction being claimed for~~
18 ~~such property under section 179 of the internal revenue code, as amended,~~
19 multiplied by the applicable factor, determined by using, the table
20 provided in subsection (f), based on the method of depreciation selected
21 pursuant to section 168(b)(1), (2), or (3) or (g) of the internal revenue
22 code, as amended, and the applicable recovery period for such property as
23 defined under section 168(c) or (g) of the internal revenue code, as
24 amended. This election shall be made by the due date of the original
25 return, including any extensions, and may be made only for the taxable
26 year in which the property is placed in service, and once made, shall be
27 irrevocable. ~~If the section 179 expense deduction election has been made~~
28 ~~for federal income tax purposes for any asset, the applicable factor to be~~
29 ~~utilized is in the IRC § 168 (b)(1) column of the table provided in~~
30 ~~subsection (f) for the applicable recovery period of the respective assets.~~

31 (b) If the amount of expense deduction calculated pursuant to
32 subsection (a) exceeds the taxpayer's Kansas net income before expensing
33 or recapture allocated or apportioned to this state, such excess amount
34 shall be treated as a Kansas net operating loss as provided in K.S.A. 79-
35 32,143, and amendments thereto.

36 (c) If the property for which an expense deduction is taken pursuant
37 to subsection (a) is subsequently sold during the applicable recovery
38 period for such property as defined under section 168(c) of the internal
39 revenue code, as amended, and in a manner that would cause recapture of
40 any previously taken expense or depreciation deductions for federal
41 income tax purposes, or if the situs of such property is otherwise changed
42 such that the property is relocated outside the state of Kansas during such
43 applicable recovery period, then the expense deduction determined

1 pursuant to subsection (a) shall be subject to recapture and treated as
 2 Kansas taxable income allocated to this state. The amount of recapture
 3 shall be the Kansas expense deduction determined pursuant to subsection
 4 (a) multiplied by a fraction, the numerator of which is the number of years
 5 remaining in the applicable recovery period for such property as defined
 6 under section 168(c) or (g) of the internal revenue code, as amended, after
 7 such property is sold or removed from the state including the year of such
 8 disposition, and the denominator of which is the total number of years in
 9 such applicable recovery period.

10 (d) The situs of tangible property for purposes of claiming and
 11 recapture of the expense deduction shall be the physical location of such
 12 property. If such property is mobile, the situs shall be the physical location
 13 of the business operations from where such property is used or based. The
 14 situs of computer software shall be apportioned to Kansas based on the
 15 fraction, the numerator of which is the number of the taxpayer's users
 16 located in Kansas of licenses for such computer software used in the active
 17 conduct of the taxpayer's business operations, and the denominator of
 18 which is the total number of the taxpayer's users of the licenses for such
 19 computer software used in the active conduct of the taxpayer's business
 20 operations everywhere.

21 (e) Any member of a unitary group filing a combined report may
 22 elect to take an expense deduction pursuant to subsection (a) for an
 23 investment in property made by any member of the combined group,
 24 provided that the amount calculated pursuant to subsection (a) may only be
 25 deducted from the Kansas net income before expensing or recapture
 26 allocated to or apportioned to this state by such member making the
 27 election.

28 (f) The following table shall be used in determining the expense
 29 deduction calculated pursuant to subsection (a):

Factors				
IRC§168 Recover Period (year)	IRC§168(b)(1) Depreciation Method	IRC§168(b)(2) Depreciation Method	IRC§168(b)(3) or (g) Depreciation Method	
2.5	*	.077	.092	
3	.075	.091	.106	
3.5	*	.102	.116	
4	*	.114	.129	
5	.116	.135	.150	
6	*	.154	.170	
6.5	*	.163	.179	
7	.151	.173	.190	
7.5	*	.181	.199	
8	*	.191	.208	
8.5	*	.199	.217	

1	9	*	.208	.226
2	9.5	*	.216	.235
3	10	.198	.224	.244
4	10.5	*	.232	.252
5	11	*	.240	.261
6	11.5	*	.248	.269
7	12	*	.256	.277
8	12.5	*	.263	.285
9	13	*	.271	.293
10	13.5	*	.278	.300
11	14	*	.285	.308
12	15	*	.299	.323
13	16	*	.313	.337
14	16.5	*	.319	.344
15	17	*	.326	.351
16	18	*	.339	.365
17	19	*	.351	.378
18	20	*	.363	.391
19	22	*	.386	.415
20	24	*	.408	.438
21	25	*	.419	.449

22 *Not Applicable

23 (g) If a taxpayer elects to expense any investment pursuant to
 24 subsection (a), such taxpayer shall not be eligible for any tax credit,
 25 accelerated depreciation, or deduction for such investment allowed
 26 pursuant to K.S.A. 79-32,160a(e), 79-32,182b, 79-32,201, 79-32,204, 79-
 27 32,211, 79-32,218, 79-32,221, 79-32,222, 79-32,224, 79-32,227, 79-
 28 32,229, 79-32,232, 79-32,234, 79-32,237, 79-32,239, 79-32,246, 79-
 29 32,249, 79-32,252, 79-32,255, 79-32,256 and 79-32,258, and amendments
 30 thereto.

31 (h) (1) For tax year 2013, the deduction allowed by this section shall
 32 only be available to taxpayers subject to the income tax on corporations
 33 imposed pursuant to ~~subsection (e) of~~ K.S.A. 79-32,110(c), and
 34 amendments thereto, and used only to determine such taxpayer's corporate
 35 income tax liability.

36 (2) For tax ~~year~~ *years* 2014, ~~and all tax years thereafter through 2020,~~
 37 the deduction allowed by this section shall only be available to taxpayers
 38 subject to the income tax on corporations imposed pursuant to ~~subsection~~
 39 ~~(e) of~~ K.S.A. 79-32,110(c), and amendments thereto, or the privilege tax
 40 imposed upon any national banking association, state bank, savings bank,
 41 trust company or savings and loan association pursuant to article 11 of
 42 chapter 79 of the Kansas Statutes Annotated, and amendments thereto, and
 43 used only to determine such taxpayer's corporate income or privilege tax

1 liability.

2 (i) For tax year 2021, and all tax years thereafter, the deduction
3 allowed by this section shall be available to all taxpayers subject to the
4 income tax imposed pursuant to K.S.A. 79-32,110, and amendments
5 thereto, or the privilege tax imposed upon any national banking
6 association, state bank, savings bank, trust company or savings and loan
7 association pursuant to article 11 of chapter 79 of the Kansas Statutes
8 Annotated, and amendments thereto, and used only to determine such
9 taxpayer's income or privilege tax liability.

10 **{Sec. 6. K.S.A. 79-32,119 is hereby amended to read as follows: 79-**
11 **32,119. The Kansas standard deduction of an individual, including a**
12 **husband and wife who are either both residents or who file a joint return**
13 **as if both were residents, shall be equal to the sum of the standard**
14 **deduction amount allowed pursuant to this section, and the additional**
15 **standard deduction amount allowed pursuant to this section for each**
16 **such deduction allowable to such individual or to such husband and**
17 **wife under the federal internal revenue code.** For tax year 1998 through
18 tax year 2012, the standard deduction amount shall be as follows: Single
19 individual filing status, \$3,000; married filing status, \$6,000; and head of
20 household filing status, \$4,500. For tax year 1998, and all tax years
21 thereafter, the additional standard deduction amount shall be as follows:
22 **Single individual and head of household filing status, \$850; and married**
23 **filing status, \$700. For tax year 2013, and all tax years thereafter through**
24 **tax year 2020, the standard deduction amount of an individual,**
25 **including husband and wife who are either both residents or who file a**
26 **joint return as if both were residents, shall be as follows: Single**
27 **individual filing status, \$3,000; married filing status, \$7,500; and head**
28 **of household filing status, \$5,500. For tax year 2021, the standard**
29 **deduction amount of an individual, including husband and wife who are**
30 **either both residents or who file a joint return as if both were residents,**
31 **shall be as follows: Single individual filing status, \$3,600; married filing**
32 **status, \$9,000; and head of household filing status, \$6,600. For tax year**
33 **2022, and all tax years thereafter, the standard deduction amount of an**
34 **individual, including husband and wife who are either both residents or**
35 **who file a joint return as if both were residents, shall be as follows: Single**
36 **individual filing status, \$4,050; married filing status, \$10,125; and head**
37 **of household filing status, \$7,425. For purposes of the foregoing, the**
38 **federal standard deduction allowable to a husband and wife filing**
39 **separate Kansas income tax returns shall be determined on the basis**
40 **that separate federal returns were filed, and the federal standard**
41 **deduction of a husband and wife filing a joint Kansas income tax return**
42 **shall be determined on the basis that a joint federal income tax return**
43 **was filed.}**

1 Sec.-~~7~~: ~~6~~ {7}. K.S.A. 79-32,117, {79-32,119,} 79-32,120, 79-32,138-
2 ~~79-32,143~~ and 79-32,143a are hereby repealed.

3 Sec.-~~8~~: ~~7~~ {8}. This act shall take effect and be in force from and after
4 its publication in the ~~statute book~~ {*Kansas register*}.