

3
4 **SENATE BILL No. 581**

5
6 By Senator Jordan

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8 2-13
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10 AN ACT concerning taxation; providing for a tax credit against the in-
11 come tax liability of certain business firms.

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

14 Section 1. (a) For taxable years commencing after December 31,
15 2001, any business firm which has entered into a partnership agreement
16 pursuant to subsection (d) shall be allowed a credit against the income
17 tax imposed by the Kansas income tax act as follows:

18 (1) An amount equal to 25% of the amount paid during the taxable
19 year by such business firm to teachers as salary pursuant to the partner-
20 ship agreement; or

21 (2) an amount equal to 30% of the amount paid during the taxable
22 year by such business firm to teachers as salary pursuant to the partner-
23 ship agreement if the teacher is teaching in a school district located in a
24 rural community or underperforming urban area.

25 (b) The credit allowed by this section shall not exceed the amount of
26 tax imposed under the Kansas income tax act reduced by the sum of any
27 other credits allowable pursuant to law.

28 (c) As used in this section:

29 (1) "Business firm" means any business entity authorized to do busi-
30 ness in the state of Kansas which is subject to the state income tax im-
31 posed by the provisions of the Kansas income tax act and any individual
32 subject to the state income tax imposed by the provisions of the Kansas
33 income tax act.

34 (2) "Underserved area" shall have the meaning ascribed thereto by
35 K.S.A. 74-32,101, and amendments thereto.

36 (3) "Teacher" means a person who holds a certificate to teach in
37 Kansas with an endorsement in the areas of mathematics, science, physics,
38 chemistry or biology, is teaching in an underserved area and has entered
39 into a partnership agreement.

40 (4) "Partnership agreement" means an agreement entered into pur-
41 suant to subsection (d).

42 (5) "Rural community" shall have the meaning ascribed thereto by
43 K.S.A. 79-32,195, and amendments thereto.

1 (6) “Underperforming urban area” means an area of the state in
2 which low academic performance by pupils in school districts in such area
3 as determined and specified by the state board of education.

4 (d) The board of education of any school district, teacher and busi-
5 ness firm may enter a partnership agreement under which such business
6 firm agrees to employ such teacher during the months in which school is
7 not regularly in session ~~for a period of at least five school years and the~~
8 ~~teacher agrees to continue employment as a teacher in the school district~~
9 ~~for at least five years.~~

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

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