

HOUSE BILL No. 2291

By Committee on Federal and State Affairs

1-30

9 AN ACT concerning income taxation; relating to credits; employers who
10 employ certain members of the Kansas army and air national guard or
11 a Kansas unit of the reserve forces of the United States; establishing
12 the pluripotent non-embryonic adult stem cell research fund and the
13 Kansas umbilical cord bank fund and providing income tax credits for
14 contributions to such funds.
15

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

17 Section 1. (a) For taxable years 2007, 2008 and 2009, an employer
18 who employs a member of the Kansas army and air national guard or a
19 member of a Kansas unit of the reserve forces of the United States who
20 was federally activated and deployed on or after August 7, 1990, that such
21 employer did not employ prior to such activation and deployment and
22 who is unemployed at the time of such employment shall be allowed a
23 credit against the income tax imposed by the Kansas income tax act in an
24 amount equal to 25% of the amount paid during the taxable year by such
25 employer to such member as salary or compensation. Such credit shall
26 not exceed \$7,000 for each member employed by such employer. The
27 credit provided in this section shall be limited to salary or compensation
28 paid to such member for one year for each member employed by such
29 employer.

30 (b) The credit allowed by this section shall not exceed the amount of
31 tax imposed under the Kansas income tax act reduced by the sum of any
32 other credits allowable pursuant to law. If the amount of the credit al-
33 lowed by subsection (a) of this section exceeds the taxpayer's income tax
34 liability imposed under the Kansas income tax act, such excess amount
35 may be carried over for credit in the same manner in the succeeding
36 taxable years until the total amount of such credit is used.

37 Sec. 2. Sections 2, 3 and 4, and amendments thereto, of this act may
38 be cited as the ethical research act.

39 Sec. 3. (a) There is hereby created the pluripotent non-embryonic
40 adult stem cell research fund, which is referred to in this section as the
41 PNASCR fund. The PNASCR fund shall not be a part of the state treasury
42 and all moneys credited to such fund shall belong exclusively to the Kan-
43 sas bioscience authority.

1 (b) The Kansas bioscience authority is hereby authorized to accept
2 gifts, grants or donations of money for the purposes prescribed in sub-
3 section (c) which shall be credited to the PNASCR fund and shall qualify
4 for the state income tax credit allowed by this section.

5 (c) Moneys in the PNASCR fund shall be used only for the purpose
6 of providing a funding source to enable qualified companies to undertake
7 successful and ethical bioscience research and for development grants in
8 Kansas. Development grants shall be awarded by the Kansas bioscience
9 authority based on guidelines adopted by the board of directors of the
10 authority within the moneys available in the PNASCR fund therefor.

11 (d) A contributor to the PNASCR fund may be anonymous and shall
12 be allowed a credit against the state income tax imposed under the Kansas
13 income tax act in an amount equal to 50% of the contribution amount.

14 (e) If the amount of the tax credit allowed by this section exceeds the
15 taxpayer's income tax liability under the Kansas income tax act for such
16 taxable year, the amount thereof which exceeds such tax liability may be
17 carried over for deduction from the taxpayer's income tax liability in the
18 next succeeding taxable year or years until the total amount of the tax
19 credit has been deducted from tax liability.

20 (f) As used in this section, "pluripotent:" means the ability to form
21 most or all adult body tissues.

22 Sec. 4. (a) The Kansas umbilical cord bank fund is hereby created.
23 The Kansas umbilical cord bank fund shall not be a part of the state
24 treasury and all moneys in the umbilical cord bank fund shall belong
25 exclusively to the Kansas bioscience authority.

26 (b) The Kansas bioscience authority is hereby authorized to accept
27 gifts, grants or donations of money for the purposes prescribed in sub-
28 section (c) which shall be credited to the Kansas umbilical cord bank fund,
29 which shall qualify for the state income tax credit allowed pursuant to this
30 section.

31 (c) Moneys in the umbilical cord bank fund shall be used only for
32 grants to help establish or expand private umbilical cord bank organiza-
33 tions. The board of directors of the Kansas bioscience authority shall
34 adopt guidelines for award of such grants which shall include the require-
35 ment that an applicant bank shall gather, collect and preserve umbilical
36 cords and placentas only from live births and that umbilical cords shall
37 primarily be distributed to recipients who are unrelated to the donor.

38 (d) A contributor to the Kansas umbilical cord bank fund may be
39 anonymous and shall be allowed a credit against the state income tax
40 imposed under the Kansas income tax act in an amount equal to 50% of
41 the contribution amount.

42 (e) If the amount of the state income tax credit allowed by this section
43 exceeds the taxpayer's income tax liability under the Kansas income tax

1 act for such taxable year, the amount thereof which exceeds such tax
2 liability may be carried over for deduction from the taxpayer's income tax
3 liability in the next succeeding taxable year or years until the total amount
4 of the tax credit has been deducted from tax liability.

5 Sec. 5. This act shall take effect and be in force from and after its
6 publication in the statute book.