

HOUSE BILL No. 2575

By Committee on Taxation

2-7

1 AN ACT concerning income taxation; relating to credits; expenditures to
2 make dwelling or facility accessible for persons with a disability;
3 amending K.S.A. 2013 Supp. 79-32,177 and repealing the existing
4 section.
5

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

7 New Section 1. (a) Any resident individual taxpayer who makes
8 expenditures for the purpose of making all or any portion of an existing
9 facility accessible to individuals with a disability, which facility is used as,
10 or in connection with, such taxpayer's principal dwelling or the principal
11 dwelling of a lineal ascendant or descendant, including construction of a
12 small barrier-free living unit attached to such principal dwelling, shall be
13 entitled to claim a tax credit in an amount equal to the applicable
14 percentage of such expenditures or \$9,000, whichever is less, against the
15 income tax liability imposed against such taxpayer pursuant to article 32 of
16 chapter 79 of the Kansas Statutes Annotated, and amendments thereto.
17 Nothing in this subsection shall be deemed to prevent any such taxpayer
18 from claiming such credit: (1) For each principal dwelling in which the
19 taxpayer or lineal ascendant or descendant may reside, or facility used in
20 connection therewith; or (2) more than once, but not more often than once
21 every four-year period of time. The applicable percentage of such
22 expenditures eligible for credit shall be as set forth in the following
23 schedule:

24 Taxpayers 25 Kansas Adjusted 26 Gross Income	27 % of 28 expenditures 29 eligible for 30 credit
31 \$0 to \$25,000.....	100%
32 Over \$25,000 but not over \$30,000.....	90%
33 Over \$30,000 but not over \$35,000.....	80%
34 Over \$35,000 but not over \$40,000.....	70%
35 Over \$40,000 but not over \$45,000.....	60%
36 Over \$45,000 but not over \$55,000.....	50%
37 Over \$55,000.....	0

38 Such tax credit shall be deducted from the taxpayer's income tax
39 liability for the taxable year in which the expenditures are made by the

1 taxpayer. If the amount of such tax credit exceeds the taxpayer's income
2 tax liability for such taxable year, the amount thereof which exceeds such
3 tax liability may be carried over for deduction from the taxpayer's income
4 tax liability in the next succeeding taxable year or years until the total
5 amount of the tax credit has been deducted from tax liability, except that
6 no such tax credit shall be carried over for deduction after the fourth
7 taxable year succeeding the taxable year in which the expenditures are
8 made.

9 (b) Notwithstanding the provisions of subsection (a), if the amount of
10 the taxpayer's tax liability is less than \$2,250 in the first year in which the
11 credit is claimed under this section, an amount equal to the amount by
12 which $\frac{1}{4}$ of the credit allowable under this section exceeds such tax
13 liability shall be refunded to the taxpayer and the amount by which such
14 credit exceeds such tax liability less the amount of such refund may be
15 carried over for the next three succeeding taxable years. If the amount of
16 the taxpayer's tax liability is less than \$2,250 in the second year in which
17 the credit is claimed under this section, an amount equal to the amount by
18 which $\frac{1}{3}$ of the amount of the credit carried over from the first taxable
19 year exceeds such tax liability shall be refunded to the taxpayer and the
20 amount by which the amount of the credit carried over from the first
21 taxable year exceeds such tax liability less the amount of such refund may
22 be carried over for the next two succeeding taxable years. If the amount of
23 the taxpayer's tax liability is less than \$2,250 in the third year in which the
24 credit is claimed under this section, an amount equal to the amount by
25 which $\frac{1}{2}$ of the amount carried over from the second taxable year exceeds
26 such tax liability shall be refunded to the taxpayer and the amount by
27 which the amount of the credit carried over from the second taxable year
28 exceeds such tax liability less the amount of such refund may be carried
29 over to the next succeeding taxable year. If the amount of the credit carried
30 over from the third taxable year exceeds the taxpayer's income tax liability
31 for such year, the amount thereof which exceeds such tax liability shall be
32 refunded to the taxpayer.

33 (c) The provisions of this section are applicable to tax year 2013, and
34 all tax years thereafter.

35 Sec. 2. K.S.A. 2013 Supp. 79-32,177 is hereby amended to read as
36 follows: 79-32,177. (a) Any taxpayer who makes expenditures for the
37 purpose of making all or any portion of an existing facility accessible to
38 individuals with a disability, or who makes expenditures for the purpose of
39 making all or any portion of a facility or of equipment usable for the
40 employment of individuals with a disability, which facility or equipment is
41 on real property located in this state and used in a trade or business or held
42 for the production of income, shall be entitled to claim an income tax
43 credit in an amount equal to 50% of such expenditures or, the amount of

1 \$10,000, whichever is less, against the income tax liability imposed
2 against such taxpayer pursuant to article 32 of chapter 79 of the Kansas
3 Statutes Annotated, *and amendments thereto*. Such tax credit shall be
4 deducted from the taxpayer's income tax liability for the taxable year in
5 which the expenditures are made by the taxpayer. If the amount of such tax
6 credit exceeds the taxpayer's income tax liability for such taxable year, the
7 amount thereof which exceeds such tax liability may be carried over for
8 deduction from the taxpayer's income tax liability in the next succeeding
9 taxable year or years until the total amount of the tax credit has been
10 deducted from tax liability, except that no such tax credit shall be carried
11 over for deduction after the fourth taxable year succeeding the taxable year
12 in which the expenditures are made.

13 ~~(b) For tax year 2013 and all tax years thereafter, the income tax~~
14 ~~credit provided by this section shall only be available to taxpayers subject~~
15 ~~to the income tax on corporations imposed pursuant to subsection (c) of~~
16 ~~K.S.A. 79-32,110, and amendments thereto, and shall be applied only~~
17 ~~against such taxpayer's corporate income tax liability.~~

18 Sec. 3. K.S.A. 2013 Supp. 79-32,177 is hereby repealed.

19 Sec. 4. This act shall take effect and be in force from and after its
20 publication in the Kansas register.