

[As Amended by House Committee of the Whole]

As Amended by House Committee

Session of 2006

HOUSE BILL No. 3017

By Committee on Taxation

3-16

12 AN ACT concerning income taxation; relating to credits; employers who
13 employ certain members of the Kansas army and air national guard or
14 a Kansas unit of the reserved forces of the United States; **establishing**
15 **the pluripotent non-embryonic adult stem cell research fund**
16 **and the Kansas umbilical cord bank fund and providing income**
17 **tax credits for contributions to such funds].**
18

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

20 Section 1. (a) For taxable years ~~commencing after December 31,~~
21 ~~2005~~ **2006, 2007 and 2008**, an employer who employs a member of the
22 Kansas army and air national guard or a member of a Kansas unit of the
23 reserved forces of the United States who was federally activated and de-
24 ployed on or after August 7, 1990, that such employer did not employ
25 prior to such activation and deployment and who is unemployed at the
26 time of such employment shall be allowed a credit against the income tax
27 imposed by the Kansas income tax act in an amount equal to 25% of the
28 amount paid during the taxable year by such employer to such member
29 as salary or compensation. **Such credit shall not exceed \$7,000 for**
30 **each member employed by such employer.** The credit provided in
31 this section shall be limited to salary or compensation paid to such em-
32 ployee **member** for ~~not to exceed five years~~ **one year** for each member
33 employed by such employer.

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

41 **[Sec. 2. Sections 2, 3 and 4, and amendments thereto, of this**
42 **act may be cited as the ethical research act.**

43 **[Sec. 3. (a) There is hereby created the pluripotent non-em-**

1 bryonic adult stem cell research fund, which is referred to in this
2 section as the PNASCR fund. The PNASCR fund shall not be a part
3 of the state treasury and all moneys credited to such fund shall
4 belong exclusively to the Kansas bioscience authority.

5 [(b) The Kansas bioscience authority is hereby authorized to
6 accept gifts, grants or donations of money for the purposes pre-
7 scribed in subsection (c) which shall be credited to the PNASCR
8 fund and shall qualify for the state income tax credit allowed by
9 this section.

10 [(c) Moneys in the PNASCR fund shall be used only for the
11 purpose of providing a funding source to enable qualified com-
12 panies to undertake successful and ethical bioscience research and
13 for development grants in Kansas. Development grants shall be
14 awarded by the Kansas bioscience authority based on guidelines
15 adopted by the board of directors of the authority within the mon-
16 eys available in the PNASCR fund therefor.

17 [(d) A contributor to the PNASCR fund may be anonymous and
18 shall be allowed a credit against the state income tax imposed un-
19 der the Kansas income tax act in an amount equal to 50% of the
20 contribution amount.

21 [(e) If the amount of the tax credit allowed by this section ex-
22 ceeds the taxpayer's income tax liability under the Kansas income
23 tax act for such taxable year, the amount thereof which exceeds
24 such tax liability may be carried over for deduction from the tax-
25 payer's income tax liability in the next succeeding taxable year or
26 years until the total amount of the tax credit has been deducted
27 from tax liability.

28 [(f) As used in this section, "pluripotent" means the ability to
29 form most or all adult body tissues.

30 [Sec. 4. (a) The Kansas umbilical cord bank fund is hereby cre-
31 ated. The Kansas umbilical cord bank fund shall not be a part of
32 the state treasury and all moneys in the umbilical cord bank fund
33 shall belong exclusively to the Kansas bioscience authority.

34 [(b) The Kansas bioscience authority is hereby authorized to
35 accept gifts, grants or donations of money for the purposes pre-
36 scribed in subsection (c) which shall be credited to the Kansas um-
37 bilical cord bank fund, which shall qualify for the state income tax
38 credit allowed pursuant to this section.

39 [(c) Moneys in the umbilical cord bank fund shall be used only
40 for grants to help establish or expand private umbilical cord bank
41 organizations. The board of directors of the Kansas bioscience au-
42 thority shall adopt guidelines for award of such grants which shall
43 include the requirement that an applicant bank shall gather, col-

1 **lect and preserve umbilical cords and placentas only from live**
2 **births and that umbilical cords shall primarily be distributed to**
3 **recipients who are unrelated to the donor.**

4 **[(d) A contributor to the Kansas umbilical cord bank fund may**
5 **be anonymous and shall be allowed a credit against the state in-**
6 **come tax imposed under the Kansas income tax act in an amount**
7 **equal to 50% of the contribution amount.**

8 **[(e) If the amount of the state income tax credit allowed by this**
9 **section exceeds the taxpayer's income tax liability under the Kan-**
10 **sas income tax act for such taxable year, the amount thereof which**
11 **exceeds such tax liability may be carried over for deduction from**
12 **the taxpayer's income tax liability in the next succeeding taxable**
13 **year or years until the total amount of the tax credit has been**
14 **deducted from tax liability.]**

15 **Sec. ~~2~~ [5.]** This act shall take effect and be in force from and after
16 its publication in the statute book.