

KANSAS OFFICE *of*  
**REVISOR *of* STATUTES**

LEGISLATURE *of* THE STATE *of* KANSAS  
*Legislative Attorneys transforming ideas into legislation.*

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**MEMORANDUM**

To: Members of the House Committee on Taxation

From: Adam Siebers, Assistant Revisor

Date: February 14, 2023

Subject: House Bill No. 2061

**Summary**

House Bill No. 2061 would decrease individual and corporate incomes tax rates and provide for possible additional future rate reductions. The bill would also decrease the rate of privilege taxes.

**Section 1** – Provides a possible future reduction in individual and corporate income tax rate in the event that the actual tax revenues to the State General Fund exceed the estimates of revenue. The rate reduction would equal the percentage decrease that equates to the difference in amount of actual tax revenues that exceed the estimates. The provisions would commence in fiscal year 2024 to possibly first apply to tax rates in 2025 tax year.

**Section 2** – Decreases the privilege surtax for national banking associations and state banks from 2.125% to 0.88% starting in tax year 2024.

**Section 3** – Decreases the privilege surtax for trust companies and savings and loan associations from 2.25% to 0.96% starting in tax year 2024.

**Section 4** – Establishes an individual and corporate income tax rate of 5% for tax year 2024 and thereafter subject to possible decreases provided in Section 1.

The individual income tax rate would apply on taxable income in excess of:

\$30,000 for married individuals filing joint returns; and  
\$15,000 for all other individuals.