

February 2, 2026

The Honorable Sean Tarwater, Chairperson
House Committee on Commerce, Labor and Economic Development
300 SW 10th Avenue, Room 346-S
Topeka, Kansas 66612

Dear Representative Tarwater:

SUBJECT: Fiscal Note for HB 2466 by House Committee on Commerce, Labor and Economic Development

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2466 is respectfully submitted to your committee.

Under current law, the Angel Investor Tax Credit offers investors that make qualified cash investments in qualified Kansas businesses a 50.0 percent state income tax credit, and the total amount of these tax credits are capped at \$8.0 million in tax year 2026. HB 2466 would extend the sunset for this tax credit from tax year 2026 to tax year 2031.

Estimated State Fiscal Effect			
	FY 2026	FY 2027	FY 2028
Expenditures			
State General Fund	--	--	--
Fee Fund(s)	--	--	--
Federal Fund	--	--	--
Total Expenditures	--	--	--
Revenues			
State General Fund	--	--	(\$8,000,000)
Fee Fund(s)	--	--	--
Federal Fund	--	--	--
Total Revenues	--	--	(\$8,000,000)
FTE Positions	--	--	--

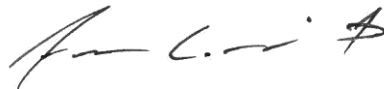
The Department of Revenue estimates that HB 2466 would decrease State General Fund revenue as follows:

	<u>FY 2028</u>	<u>FY 2029</u>	<u>FY 2030</u>	<u>FY 2031</u>
State General Fund	(\$8,000,000)	(\$8,000,000)	(\$8,000,000)	(\$8,000,000)

To formulate this estimate, the Department of Revenue reviewed data on the Angel Investor Tax Credit Program from previous tax years. The Department estimates that the full \$8.0 million in tax credits would be claimed in each tax year. The Department indicates that the bill would have no fiscal effect on its operations.

The Department of Commerce indicates that it is currently responsible for administering the Angel Investor Tax Credit Program. The Governor's budget includes continuing funding for this program in FY 2027 to review applications from qualified investors and qualified businesses. The Department indicates that the administrative costs associated with extending the sunset date for Angel Investor Tax Credit Program would be accomplished within existing staff levels and resources. Any fiscal effect associated with HB 2466 is not reflected in *The FY 2027 Governor's Budget Report*.

Sincerely,



Adam C. Proffitt
Director of the Budget

cc: Lynn Robinson, Department of Revenue
Sherry Rentfro, Department of Commerce