

SESSION OF 2026

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2466

As Recommended by House Committee on
Commerce, Labor and Economic Development

Brief*

HB 2466 would extend the sunset of the Angel Investor Tax Credit from December 31, 2026, to December 31, 2031.

The Angel Investor Tax Credit provides an income tax credit for investors that make a cash investment in the qualified securities of a qualified Kansas business owned by an individual, any partnership, association, or corporation domiciled in Kansas, or any corporation that does business primarily in Kansas or does all such businesses' production in Kansas.

The bill would also make technical changes.

Background

The bill was introduced by the House Committee on Commerce, Labor and Economic Development at the request of a representative of the Kansas Department of Commerce.

House Committee on Commerce, Labor and Economic Development

In the House Committee hearing, **proponent** testimony was provided by representatives of the Kansas Chamber, Kansas Department of Commerce, Love Lifesciences, Network Kansas, and Wichita Regional Chamber of Commerce. The proponents generally stated the

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <https://klrd.gov/>

bill would extend a tax credit that is helping grow startup and new businesses in Kansas.

Written-only proponent testimony was provided by representatives of Ad Astra Bio; Greater Kansas City Chamber of Commerce and Civic Council of Greater Kansas City; Factory Universe Co.; Invary; KU Innovation Park, Plainview Beef Co.; Overland Park Chamber of Commerce; and SOFTwarfare.

No other testimony was provided.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, the Department of Revenue estimates enactment of the bill would decrease State General Fund revenue by \$8.0 million in FY 2028, \$8.0 million in FY 2029, \$8.0 million in FY 2030, and \$8.0 million in FY 2031. 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 the Angel Investor Tax Credit Program would be accomplished within existing staff levels and resources. Any fiscal effect associated with the bill is not reflected in *The FY 2027 Governor's Budget Report*.

Tax Credit; Angel Investor; Income Tax; Economic Development; Sunset Extension