SESSION OF 2012

SUPPLEMENTAL NOTE ON SENATE BILL NO. 267

As Amended by Senate Committee of the Whole

Brief*

SB 267, as amended, would extend by three years (from tax year 2012 to tax year 2015) the sunset on certain tax credits that may be claimed for contributions earmarked for community college capital improvements, technical college purchase of equipment or deferred maintenance, or general deferred maintenance at postsecondary educational institutions. A statewide cap on the total amount of credits that may be claimed for any tax year would be set at $10 million through tax year 2015.

The bill also would extend the sunset on a tax credit for renewable electric cogeneration facilities from tax year 2011 to tax year 2016.

Finally, the tax year 2011 sunset on an additional income tax credit associated with historic site contributions would be repealed altogether.

Background

The original bill also would have authorized community and technical colleges to pool and share unused credit amounts with other institutions already at their individual annual caps; and would have increased from 50 to 60 percent of qualifying amounts contributed the level of the post-secondary educational institution credit. The Senate Assessment and Taxation Committee amended the bill to remove these provisions.

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*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 http://www.kslegislature.org

Since the original fiscal note of a reduction in receipts for FY 2013 of $50,000 was premised largely upon the increase in the postsecondary institution credit to 60 percent, the Department of Revenue indicated verbally that the Senate Assessment and Taxation Committee version of the bill would be expected to have little, if any, impact on receipts.

The Senate Committee of the Whole on March 20 amended the bill to add the provisions associated with the sunset extension and removals for renewable cogeneration facilities and historic site contributions. The latter provision would be expected to reduce SGF receipts by about $0.2 million annually.