

SESSION OF 2012

SUPPLEMENTAL NOTE ON SENATE BILL NO. 386

As Recommended by Senate Committee on
Assessment and Taxation

Brief*

SB 386 would repeal effective for tax year 2012 the business and job development tax credit provided in KSA 2011 Supp. 79-32,153.

The bill would be in effect upon publication in the *Kansas Register*.

Background

The bill was requested for introduction and supported by the Department of Revenue, whose representative testified that the Governor's expensing legislation enacted in 2011 had intended to repeal the business and job development credit and have the additional revenue earmarked for ultimate transfer to the new Job Creation Program Fund (JCPF). Although the 2011 legislation did repeal a second similar tax credit, failure to repeal this particular credit was a legislative oversight, according to the conferee.

The fiscal note indicated that because revenue estimators had assumed the credit had already been repealed, enactment of this bill would have no impact. If the bill were to not be enacted, there would be about \$2.5 million less available for appropriation to the JCPF in FY 2013 than the amount that previously had been anticipated to be available.

*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>