

HOUSE BILL No. 2147

By Representatives Victors and Highberger

1-25

1 AN ACT concerning veterans; relating to Native American veterans'
2 income tax settlement claims; authorizing a study of such claims.

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4 *Be it enacted by the Legislature of the State of Kansas:*

5 Section 1. (a) The legislature hereby finds and declares:

6 (1) Native Americans have had a long history of serving their country
7 through active duty in the armed forces of the United States during periods
8 of both war and peace and have made great sacrifices in fulfilling such
9 duty;

10 (2) Native American veterans domiciled on tribal lands during their
11 periods of active military service may have been exempt from paying state
12 income taxes on their military income, but may have had state income
13 taxes improperly withheld from their military income; and

14 (3) Native American veterans now are barred by the state statute of
15 limitations from claiming refunds of state income taxes that may have
16 been improperly withheld from their military income, and even if not
17 barred by the statute of limitations, the passage of time extending to
18 decades will make it difficult for many Native American veterans to meet
19 strict standards of proof that such veterans are entitled to a refund of
20 improperly withheld state income taxes.

21 (b) The department of revenue shall conduct a study of the extent to
22 which Native American veterans domiciled on tribal lands during the period
23 of such veterans' active military service had state income taxes improperly
24 withheld from their military income. If such improper withholding is
25 found to have occurred, the department shall determine the amount of state
26 income taxes improperly withheld, and the number and identity of Native
27 American veterans, or survivors of such veterans, affected by the improper
28 withholding of state income taxes. The department shall also study the cost
29 of implementing and administering a Native American veterans' income
30 tax settlement fund, which fund would be used for the settlement of the
31 claims by Native American veterans', or survivors of such veterans, for
32 state income taxes improperly withheld.

33 (c) The department shall report its findings and any recommendations
34 and conclusions to the legislature and the governor on January 15, 2018.

35 Sec. 2. This act shall take effect and be in force from and after its
36 publication in the statute book.