

HOUSE BILL No. 2661

By Representative Hodge

2-7

1 AN ACT concerning income taxation; relating to rates, corporations;
2 amending K.S.A. 2017 Supp. 79-32,110 and repealing the existing
3 section.

4

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

6 Section 1. K.S.A. 2017 Supp. 79-32,110 is hereby amended to read as
7 follows: 79-32,110. (a) *Resident Individuals*. Except as otherwise provided
8 by K.S.A. 79-3220(a), and amendments thereto, a tax is hereby imposed
9 upon the Kansas taxable income of every resident individual, which tax
10 shall be computed in accordance with the following tax schedules:

11 (1) *Married individuals filing joint returns*.

12 (A) For tax year 2012:

13 If the taxable income is:	The tax is:
14 Not over \$30,000.....	3.5% of Kansas taxable income
15 Over \$30,000 but not over \$60,000.....	\$1,050 plus 6.25% of excess 16 over \$30,000
17 Over \$60,000.....	\$2,925 plus 6.45% of excess 18 over \$60,000

19 (B) For tax year 2013:

20 If the taxable income is:	The tax is:
21 Not over \$30,000.....	3.0% of Kansas taxable income
22 Over \$30,000.....	\$900 plus 4.9% of excess over 23 \$30,000

24 (C) For tax year 2014:

25 If the taxable income is:	The tax is:
26 Not over \$30,000.....	2.7% of Kansas taxable income
27 Over \$30,000.....	\$810 plus 4.8% of excess over 28 \$30,000

29 (D) For tax years 2015 and 2016:

30 If the taxable income is:	The tax is:
31 Not over \$30,000.....	2.7% of Kansas taxable income
32 Over \$30,000.....	\$810 plus 4.6% of excess over 33 \$30,000

34 (E) For tax year 2017:

35 If the taxable income is:	The tax is:
36 Not over \$30,000.....	2.9% of Kansas taxable income

1	Over \$30,000 but not over \$60,000.....	\$870 plus 4.9% of excess over
2		\$30,000
3	Over \$60,000.....	\$2,340 plus 5.2% of excess over
4		\$60,000
5	(F) For tax year 2018, and all tax years thereafter:	
6	If the taxable income is:	The tax is:
7	Not over \$30,000.....	3.1% of Kansas taxable income
8	Over \$30,000 but not over \$60,000.....	\$930 plus 5.25% of excess
9		over \$30,000
10	Over \$60,000.....	\$2,505 plus 5.7% of excess
11		over \$60,000

12
13 (2) *All other individuals.*

14	(A) For tax year 2012:	
15	If the taxable income is:	The tax is:
16	Not over \$15,000.....	3.5% of Kansas taxable income
17	Over \$15,000 but not over \$30,000.....	\$525 plus 6.25% of excess
18		over \$15,000
19	Over \$30,000.....	\$1,462.50 plus 6.45% of excess
20		over \$30,000

21	(B) For tax year 2013:	
22	If the taxable income is:	The tax is:
23	Not over \$15,000.....	3.0% of Kansas taxable income
24	Over \$15,000.....	\$450 plus 4.9% of excess over
25		\$15,000

26	(C) For tax year 2014:	
27	If the taxable income is:	The tax is:
28	Not over \$15,000.....	2.7% of Kansas taxable income
29	Over \$15,000.....	\$405 plus 4.8% of excess over
30		\$15,000

31	(D) For tax years 2015 and 2016:	
32	If the taxable income is:	The tax is:
33	Not over \$15,000.....	2.7% of Kansas taxable income
34	Over \$15,000.....	\$405 plus 4.6% of excess over
35		\$15,000

36	(E) For tax year 2017:	
37	If the taxable income is:	The tax is:
38	Not over \$15,000.....	2.9% of Kansas taxable income
39	Over \$15,000 but not over \$30,000.....	\$435 plus 4.9% of excess over
40		\$15,000
41	Over \$30,000.....	\$1,170 plus 5.2% of excess over
42		\$30,000

43 (F) For tax year 2018, and all tax years thereafter:

1	If the taxable income is:	The tax is:
2	Not over \$15,000.....	3.1% of Kansas taxable income
3	Over \$15,000 but not over \$30,000.....	\$465 plus 5.25% of excess
4		over \$15,000
5	Over \$30,000.....	\$1,252.50 plus 5.7% of excess
6		over \$30,000

7 (b) *Nonresident Individuals.* A tax is hereby imposed upon the Kansas
 8 taxable income of every nonresident individual, which tax shall be an
 9 amount equal to the tax computed under subsection (a) as if the
 10 nonresident were a resident multiplied by the ratio of modified Kansas
 11 source income to Kansas adjusted gross income.

12 (c) *Corporations.* A tax is hereby imposed upon the Kansas taxable
 13 income of every corporation doing business within this state or deriving
 14 income from sources within this state. Such tax shall consist of a normal
 15 tax and a surtax and shall be computed as follows:

16 (1) ~~The normal tax shall be in an amount equal to 4% of the Kansas~~
 17 ~~taxable income of such corporation; and~~ *For tax year 2018, and all tax*
 18 *years thereafter:*

19	<i>If the taxable income is:</i>	<i>The tax is:</i>
20	<i>Not over \$1,000,000.....</i>	<i>4% of Kansas taxable income</i>
21	<i>Over \$1,000,000.....</i>	<i>\$40,000 plus 10% of excess over</i>
22		<i>\$1,000,000</i>

23 (2) (A) ~~for tax year 2008, the surtax shall be in an amount equal to~~
 24 ~~3.1% of the Kansas taxable income of such corporation in excess of~~
 25 ~~\$50,000;~~

26 (B) ~~for tax years 2009 and 2010, the surtax shall be in an amount~~
 27 ~~equal to 3.05% of the Kansas taxable income of such corporation in excess~~
 28 ~~of \$50,000; and~~

29 (C) For tax year 2011, and all tax years thereafter, the surtax shall be
 30 in an amount equal to 3% of the Kansas taxable income of such
 31 corporation in excess of \$50,000.

32 (d) *Fiduciaries.* A tax is hereby imposed upon the Kansas taxable
 33 income of estates and trusts at the rates provided in subsection (a)(2)
 34 hereof.

35 (e) Notwithstanding the provisions of subsections (a) and (b): (1) For
 36 tax years 2016 and 2017, married individuals filing joint returns with
 37 taxable income of \$12,500 or less, and all other individuals with taxable
 38 income of \$5,000 or less, shall have a tax liability of zero; and (2) for tax
 39 year 2018, and all tax years thereafter, married individuals filing joint
 40 returns with taxable income of \$5,000 or less, and all other individuals
 41 with taxable income of \$2,500 or less, shall have a tax liability of zero.

42 (f) No taxpayer shall be assessed penalties and interest arising from
 43 the underpayment of taxes due to changes to the rates in: (1) Subsection

1 (a) that became law on July 1, 2017, so long as such underpayment is
2 rectified on or before April 17, 2018; or (2) subsection (c) that became
3 law on July 1, 2018, so long as such underpayment is rectified on or
4 before April 15, 2019.

5 Sec. 2. K.S.A. 2017 Supp. 79-32,110 is hereby repealed.

6 Sec. 3. This act shall take effect and be in force from and after its
7 publication in the statute book.