

HOUSE BILL No. 2278

By Committee on Taxation

2-12

1 AN ACT concerning income taxation; relating to rates, calculating rates
2 through use of a formula; amending K.S.A. 2018 Supp. 79-32,110 and
3 repealing the existing section.

4

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

6 Section 1. K.S.A. 2018 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 years 2018, and all tax years thereafter and 2019:

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 (G) For tax year 2020, and all tax years thereafter:

13	If the taxable income is:	The tax is:
14	Not over \$100,000.....	$(0.031 + TI * F / (S \times 2,967,359)) * TI$
15	Over \$100,000.....	$(0.057 - 457.5 \times S / (TI * F)) * TI$

16 Where *TI* = taxable income,
 17 *F* = the number of filing periods
 18 and
 19 *S* = 2 for married individuals filing
 20 joint returns

21 (2) All other individuals.

22 (A) For tax year 2012:

23	If the taxable income is:	The tax is:
24	Not over \$15,000.....	3.5% of Kansas taxable income
25	Over \$15,000 but not over \$30,000.....	\$525 plus 6.25% of excess
26		over \$15,000
27	Over \$30,000.....	\$1,462.50 plus 6.45% of excess
28		over \$30,000

29 (B) For tax year 2013:

30	If the taxable income is:	The tax is:
31	Not over \$15,000.....	3.0% of Kansas taxable income
32	Over \$15,000.....	\$450 plus 4.9% of excess over
33		\$15,000

34 (C) For tax year 2014:

35	If the taxable income is:	The tax is:
36	Not over \$15,000.....	2.7% of Kansas taxable income
37	Over \$15,000.....	\$405 plus 4.8% of excess over
38		\$15,000

39 (D) For tax years 2015 and 2016:

40	If the taxable income is:	The tax is:
41	Not over \$15,000.....	2.7% of Kansas taxable income
42	Over \$15,000.....	\$405 plus 4.6% of excess over
43		\$15,000

1 (E) For tax year 2017:

2 If the taxable income is:	The tax is:
3 Not over \$15,000.....	2.9% of Kansas taxable income
4 Over \$15,000 but not over \$30,000.....	\$435 plus 4.9% of excess over
5	\$15,000
6 Over \$30,000.....	\$1,170 plus 5.2% of excess over
7	\$30,000

8 (F) For tax-year years 2018, and all tax years thereafter and 2019:

9 If the taxable income is:	The tax is:
10 Not over \$15,000.....	3.1% of Kansas taxable income
11 Over \$15,000 but not over \$30,000.....	\$465 plus 5.25% of excess
12	over \$15,000
13 Over \$30,000.....	\$1,252.50 plus 5.7% of excess
14	over \$30,000

15 (G) For tax year 2020, and all tax years thereafter:

16 If the taxable income is:	The tax is:
17 Not over \$50,000.....	$(0.031 + TI * F / (S \times 2,967,359)) * TI$
18 Over \$50,000.....	$(0.057 - 457.5 \times S / (TI * F)) * TI$
19	Where $TI =$ taxable income,
20	$F =$ the number of filing periods
21	and $S = 1$ for all other individuals

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

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

31 (1) The normal tax shall be in an amount equal to 4% of the Kansas
32 taxable income of such corporation; and

33 (2) (A) for tax year 2008, the surtax shall be in an amount equal to
34 3.1% of the Kansas taxable income of such corporation in excess of
35 \$50,000;

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

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

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

1 hereof.

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

9 (f) No taxpayer shall be assessed penalties and interest arising from
10 the underpayment of taxes due to changes to the rates in subsection (a) that
11 became law on July 1, 2017, so long as such underpayment is rectified on
12 or before April 17, 2018.

13 Sec. 2. K.S.A. 2018 Supp. 79-32,110 is hereby repealed.

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