SESSION OF 2019

SUPPLEMENTAL NOTE ON SENATE BILL NO. 140

As Amended by Senate Committee on
Assessment and Taxation

Brief*

SB 140, as amended, would authorize for tax years 2019-2023 nonrefundable income or financial institutional privilege tax credits equivalent to 50.0 percent of certain contributions to the Eisenhower Foundation. Credits would be capped at $25,000 for individual income taxpayers, and at $50,000 for corporation income or financial institution privilege taxpayers. The total amount of credits claimed in any fiscal year also would be limited to $350,000.

Background

The bill was introduced by Senators Hardy, Bowers, and Wilborn.

Proponents during the public hearing of the Senate Committee on Assessment and Taxation on February 19 included Senator Hardy, Senator Wilborn, a representative of the Eisenhower Foundation, a representative of the Eisenhower Family, and a private citizen from Berryton. Written neutral testimony was received from a representative the Hall Family Foundation, explaining that such entity has already committed $2.5 million to updating the Eisenhower Museum in Abilene.

The bill as introduced would have provided a 70.0 percent nonrefundable income tax credit for all tax years beginning in tax year 2019. The Senate Committee amended

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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 the bill on February 25 to sunset the tax credits after tax year 2023, reduce from 70.0 percent to 50.0 percent the amount of contributions eligible to qualify, and extend the availability of the credits to privilege taxpayers.

A fiscal note prepared by the Division of the Budget on the bill, as introduced, anticipated State General Fund receipts would be reduced by $350,000 each year beginning in FY 2020. That fiscal note also indicated the Department of Revenue would require an additional $582,535 in FY 2020 beyond amounts currently recommended in *The FY 2020 Governor's Budget Report* to implement the bill. A fiscal note on the amended version of the bill was not immediately available.