

SENATE BILL No. 128

By Senators Straub, Peck, Steffen and Thompson

1-31

1 AN ACT concerning income taxation; relating to tax credits for education
2 expenses; providing an ad astra opportunity tax credit for taxpayers
3 with eligible dependent children not enrolled in public school.
4

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

6 Section 1. (a) For tax year 2023, and all tax years thereafter, there
7 shall be allowed as a credit against the tax liability of a resident individual
8 imposed under the Kansas income tax act an ad astra opportunity tax
9 credit. The ad astra opportunity tax credit shall be an amount equal to **95%**
10 **of** the amount of BASE aid as determined in K.S.A. 72-5132, and
11 amendments thereto, for the school year in effect on January 1 of the tax
12 year per dependent child of the resident taxpayer if such dependent child:

13 (1) Is enrolled in kindergarten or any of the grades one through 12 in
14 an accredited nonpublic school or nonaccredited private-~~or~~ elementary **or**
15 **secondary** school registered with the department of education pursuant to
16 K.S.A. 72-4346, and amendments thereto, during the tax year; and

17 (2) was not included in the enrollment of a school district as
18 determined on September 20, as defined in K.S.A. 72-5132, and
19 amendments thereto, and was not enrolled in a public school operated by a
20 school district during the tax year; **and**

21 **(3) was enrolled in a public school operated by a school district**
22 **during the tax year immediately preceding the tax year for which the**
23 **taxpayer claims the ad astra opportunity tax credit for the first time. This**
24 **paragraph shall not apply to a dependent child who was enrolled in**
25 **kindergarten for the first time during the tax year for which the taxpayer**
26 **claims the credit for the first time.**

27 (b) If the amount of the tax credit allowed by this section exceeds the
28 taxpayer's income tax liability imposed under the Kansas income tax act
29 for such tax year, the ~~excess amount shall be refunded to the taxpayer~~ **may**
30 **carry over the amount of the tax credit that exceeds such tax liability for**
31 **deduction from the taxpayer's income tax liability in the next succeeding**
32 **tax year or years until the total amount of tax credit has been deducted**
33 **from tax liability.**

34 (c) A taxpayer shall not receive the ad astra opportunity tax credit if
35 such taxpayer fails to provide a valid social security number issued by the
36 social security administration for each dependent child of the taxpayer for

1 which the taxpayer is seeking such tax credit.

2 (d) *A taxpayer shall not be eligible to claim the ad astra opportunity*
3 *tax credit for a dependent child, or the amount of the credit attributable*
4 *to a dependent child, for a tax year in which such dependent child*
5 *participated in a state program enacted by the legislature by law effective*
6 *on or after April 1, 2023, that provides a scholarship account or savings*
7 *account for such dependent child and money was deposited in or*
8 *transferred to such account at any time during such tax year by the state*
9 *treasurer for use for certain qualified education expenses.*

10 (e) (1) The department of revenue may consult with the Kansas state
11 department of education for the purpose of determining whether or not a
12 dependent child of a taxpayer claiming an ad astra opportunity tax credit is
13 enrolled in a public school during the tax year for which the credit is
14 claimed.

15 (2) By making a claim for the ad astra opportunity tax credit, the
16 taxpayer acknowledges that the department of revenue may consult with
17 and receive information from the department of education regarding the
18 enrollment status of any dependent child for which the tax credit is being
19 claimed.

20 (3) *Taxpayers may be required to provide documentation of*
21 *educational expenses, including, but not limited to, amounts paid for*
22 *computers, tablets, printers, copy machines, wi-fi, video equipment,*
23 *books, textbooks, study guides, calculators, science materials and*
24 *equipment, musical instruments and music books, athletic supplies and*
25 *gear, concurrent enrollment tuition, accredited nonpublic school tuition,*
26 *tutors, subscriptions, transportation and admission fees for field trips,*
27 *school supplies, CDs, DVDs and other learning materials, equipment*
28 *and supplies.*

29 ~~(e)~~(f) On or before January 15 of each year, the department of
30 revenue shall prepare and submit to the legislature a report on the ad astra
31 opportunity tax credit for the immediately preceding tax year. Such report
32 shall include, but not be limited to, the total amount of credits claimed and
33 any information on known fraudulent claims for the credit.

34 ~~(f)~~(g) Any person who intentionally files a false claim for the ad astra
35 opportunity tax credit shall be subject to a civil penalty in an amount
36 computed in the manner prescribed in K.S.A. 79-3228, and amendments
37 thereto.

38 ~~(g)~~(h) This section shall be a part of and supplemental to the Kansas
39 income tax act.

40 Sec. 2. This act shall take effect and be in force from and after its
41 publication in the Kansas register.