

**HOUSE BILL No. 2868**

By Representatives Kiegerl, Bowers, Brown, Donohoe, Hodge, Kelsey, Kinzer, Masterson, Judy Morrison, Olson, Ruff, Vickrey and Watkins

2-13

10 AN ACT concerning income taxation; relating to credits; expenditures to  
11 make facilities accessible to individuals with a disability; amending  
12 K.S.A. 79-32,176, 79-32,177 and 79-32,180 and repealing the existing  
13 sections.

14  
15 *Be it enacted by the Legislature of the State of Kansas:*

16 Section 1. K.S.A. 79-32,176 is hereby amended to read as follows:  
17 79-32,176. (a) Any resident individual taxpayer who makes expenditures  
18 for the purpose of making all or any portion of an existing facility acces-  
19 sible to individuals with a disability, which facility is used as, or in con-  
20 nection with, such taxpayer's principal dwelling or the principal dwelling  
21 of a lineal ascendant or descendant, including construction of a small  
22 barrier free living unit attached to such principal dwelling, shall be enti-  
23 tled to claim a tax credit in an amount equal to the applicable percentage  
24 of such expenditures or ~~\$0,000~~ \$25,000, whichever is less, against the  
25 income tax liability imposed against such taxpayer pursuant to article 32  
26 of chapter 79 of the Kansas Statutes Annotated. Nothing in this subsection  
27 shall be deemed to prevent any such taxpayer from claiming such credit:  
28 (1) For each principal dwelling in which the taxpayer or lineal ascendant  
29 or descendant may reside, or facility used in connection therewith; or (2)  
30 more than once, but not more often than once every four-year period of  
31 time. The applicable percentage of such expenditures eligible for credit  
32 shall be as set forth in the following schedule:

| Taxpayers  | % of         |
|--|--------------|
| Kansas Adjusted  | expenditures |
| Gross Income   | eligible for |
|  | credit       |
| 37 \$0 to <del>\$25,000</del> \$35,000 .....   | 100%         |
| 38 Over <del>\$25,000</del> \$35,000 but not over <del>\$30,000</del> \$40,000 ..... | 90%          |
| 39 Over <del>\$30,000</del> \$40,000 but not over <del>\$35,000</del> \$45,000 ..... | 80%          |
| 40 Over <del>\$35,000</del> \$45,000 but not over <del>\$40,000</del> \$50,000 ..... | 70%          |
| 41 Over <del>\$40,000</del> \$50,000 but not over <del>\$45,000</del> \$55,000 ..... | 60%          |
| 42 Over <del>\$45,000</del> \$55,000 but not over <del>\$55,000</del> \$65,000 ..... | 50%          |
| 43 Over <del>\$55,000</del> \$65,000 .....   | 0            |

1 Such tax credit shall be deducted from the taxpayer's income tax liability  
2 for the taxable year in which the expenditures are made by the taxpayer.  
3 If the amount of such tax credit exceeds the taxpayer's income tax liability  
4 for such taxable year, the amount thereof which exceeds such tax liability  
5 may be carried over for deduction from the taxpayer's income tax liability  
6 in the next succeeding taxable year or years until the total amount of the  
7 tax credit has been deducted from tax liability, except that no such tax  
8 credit shall be carried over for deduction after the fourth taxable year  
9 succeeding the taxable year in which the expenditures are made.

10 (b) Notwithstanding the provisions of subsection (a), if the amount  
11 of the taxpayer's tax liability is less than ~~\$2,250~~ \$6,250 in the first year in  
12 which the credit is claimed under this section, an amount equal to the  
13 amount by which  $\frac{1}{4}$  of the credit allowable under this section exceeds  
14 such tax liability shall be refunded to the taxpayer and the amount by  
15 which such credit exceeds such tax liability less the amount of such refund  
16 may be carried over for the next three succeeding taxable years. If the  
17 amount of the taxpayer's tax liability is less than ~~\$2,250~~ \$6,250 in the  
18 second year in which the credit is claimed under this section, an amount  
19 equal to the amount by which  $\frac{1}{3}$  of the amount of the credit carried over  
20 from the first taxable year exceeds such tax liability shall be refunded to  
21 the taxpayer and the amount by which the amount of the credit carried  
22 over from the first taxable year exceeds such tax liability less the amount  
23 of such refund may be carried over for the next two succeeding taxable  
24 years. If the amount of the taxpayer's tax liability is less than ~~\$2,250~~ \$6,250  
25 in the third year in which the credit is claimed under this section, an  
26 amount equal to the amount by which  $\frac{1}{2}$  of the amount carried over from  
27 the second taxable year exceeds such tax liability shall be refunded to the  
28 taxpayer and the amount by which the amount of the credit carried over  
29 from the second taxable year exceeds such tax liability less the amount of  
30 such refund may be carried over to the next succeeding taxable year. If  
31 the amount of the credit carried over from the third taxable year exceeds  
32 the taxpayer's income tax liability for such year, the amount thereof which  
33 exceeds such tax liability shall be refunded to the taxpayer.

34 Sec. 2. K.S.A. 79-32,177 is hereby amended to read as follows: 79-  
35 32,177. Any taxpayer who makes expenditures for the purpose of making  
36 all or any portion of an existing facility accessible to individuals with a  
37 disability, or who makes expenditures for the purpose of making all or  
38 any portion of a facility or of equipment usable for the employment of  
39 individuals with a disability, which facility or equipment is on real prop-  
40 erty located in this state and used in a trade or business or held for the  
41 production of income, shall be entitled to claim an income tax credit in  
42 an amount equal to 50% of such expenditures or, the amount of ~~\$10,000~~  
43 \$25,000, whichever is less, against the income tax liability imposed against

1 such taxpayer pursuant to article 32 of chapter 79 of the Kansas Statutes  
2 Annotated. Such tax credit shall be deducted from the taxpayer's income  
3 tax liability for the taxable year in which the expenditures are made by  
4 the taxpayer. If the amount of such tax credit exceeds the taxpayer's in-  
5 come tax liability for such taxable year, the amount thereof which exceeds  
6 such tax liability may be carried over for deduction from the taxpayer's  
7 income tax liability in the next succeeding taxable year or years until the  
8 total amount of the tax credit has been deducted from tax liability, except  
9 that no such tax credit shall be carried over for deduction after the fourth  
10 taxable year succeeding the taxable year in which the expenditures are  
11 made.

12 Sec. 3. K.S.A. 79-32,180 is hereby amended to read as follows: 79-  
13 32,180. The provisions of ~~this act~~ K.S.A. 79-32,175 through 79-32,178  
14 shall be applicable to all taxable years commencing after December 31,  
15 ~~1980~~ 2007.

16 Sec. 4. K.S.A. 79-32,176, 79-32,177 and 79-32,180 are hereby re-  
17 pealed.

18 Sec. 5. This act shall take effect and be in force from and after its  
19 publication in the statute book.