

## SENATE BILL No. 445

By Committee on Assessment and Taxation

1-17

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9 AN ACT concerning income taxation; relating to credits; capital invest-  
10 ments in businesses located in a city substantially damaged by disaster.

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

13 Section 1. For taxable years commencing after December 31, 2006,  
14 any taxpayer who makes a capital investment in a business which is located  
15 in a city substantially damaged by disaster when such investment is made  
16 within three years of the date of the disaster shall be allowed a credit not  
17 to exceed 10% of such investment against the tax imposed by the Kansas  
18 income tax act, the premium tax or privilege fees imposed pursuant to  
19 K.S.A. 40-252, and amendments thereto, or the privilege tax as measured  
20 by the net income of financial institutions imposed pursuant to article 11  
21 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto.  
22 The total amount of credit allowed pursuant to this section for any one  
23 taxpayer shall not exceed \$100,000. If the amount of the tax credit de-  
24 termined under this section exceeds the income, privilege or premium  
25 tax liability for the taxpayer for any taxable year in which the qualified  
26 investment is made, the amount thereof which exceeds such tax liability  
27 may be carried over for deduction from such taxpayer's income, privilege  
28 or premium tax liability in the next succeeding year or years until the total  
29 amount of the credit has been deducted from tax liability, except that no  
30 such credit shall be carried over for deduction after the 10th taxable year  
31 succeeding the taxable year in which the qualified investment was made.  
32 Notwithstanding any other provision of law, no taxpayer shall claim more  
33 than one credit for the same investment as provided in this section. As  
34 used in this section, "city substantially damaged by disaster" means a city  
35 located in a county in which a disaster emergency has been declared by  
36 the president under the provisions of the Robert T. Stafford disaster and  
37 emergency assistance act; in which county a disaster emergency has been  
38 declared by the governor under the provisions of K.S.A. 48-924, and  
39 amendments thereto; and, which city is declared by the governor to have  
40 suffered major damage to real and personal property located in such city,  
41 displacement or dislocation of residents of such city, significant economic  
42 disruption in such city, and significant cost to taxpayers of such city, all  
43 of which was the result of the disaster.

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