

MINUTES OF THE HOUSE COMMITTEE ON ASSESSMENT AND TAXATION

The meeting was called to order by Representative Jim Braden at
Chairperson

9:00 a.m. ~~pm~~ on March 20, 1984 in room 519S of the Capitol.

All members were present. ~~except~~

Committee staff present:

Tom Severn, Legislative Research Department
Wayne Morris, Legislative Research Department
Don Hayward, Revisor of Statutes' Office
Nancy Wolff, Secretary to the Committee

Conferees appearing before the committee:

Harley Duncan, Department of Revenue
Representative Clint Acheson
Basil Covey, Kansas Retired Teachers Association
James E. Sheetz, Retired Santa Fe Railway
John O. Miller
Jack McGlothlin, United Transportation Union
LeRoy Jones, Brotherhood of Railway Engineers &
National Federation of Labor
Turner Burgess, Retired Santa Fe Employee

Hearings were held on Senate Bill 624 which would amend the Kansas Income Tax Act to exclude from Kansas adjusted gross income (AGI) any amounts received as social security or tier 1 Railroad Retirement benefits which are included in federal AGI.

Wayne Morris of staff presented a brief review of Senate Bill 624 and income taxation of social security benefits. (Exhibit I)

Representative Clint Acheson testified in support of Senate Bill 624 and presented the committee with a proposed amendment that would also exclude tier 2 of railroad retirement benefits or windfall railroad retirement benefits from income taxation. (Exhibits II and III)

Basil Covey, Kansas Retired Teachers Association, spoke in support of Senate Bill 624. (Exhibit IV)

James Sheetz, retired Santa Fe employee, spoke in support of Senate Bill 624 and also requested an amendment to the bill which would exclude all Railroad Retirement Benefits and Windfall Benefits from Kansas taxation. (Exhibit V)

John Miller testified in support of Senate Bill 624. (Exhibit VI)

Jack McLaughlin, United Transportation Union, National Association of Retired Federation Employees, and BRAC, testified in support of Senate Bill 624.

LeRoy Jones, Kansas Federation of Labor and Brotherhood of Locomotive Engineers, testified in support of Senate Bill 624.

Turner Burgess, retired Santa Fe employee, testified in support of Senate Bill 624 and the amendment to exclude all social security and railroad benefits from income taxation.

Harley Duncan, Secretary of the Department of Revenue, stated that the Department does not have a position on Senate Bill 624, but offered material that explains the impact of the legislation. (Exhibit VII)

The minutes of the meeting held on March 13, 1984, were approved as printed.

The meeting was adjourned.

MEMORANDUM

Kansas Legislative Research Department

February 24, 1984

INCOME TAXATION OF SOCIAL SECURITY BENEFITS

This memorandum was prepared in response to several inquiries regarding the income taxation of Social Security and Railroad Retirement benefits at the federal and state level.

Benefits Received Prior to 1984

Social Security and tier 1 Railroad Retirement benefits received prior to 1984 are not taxable. Such amounts are not included in federal adjusted gross income (AGI). The computation of Kansas tax begins with the computation of Kansas AGI. Kansas AGI is federal AGI with modifications, and since Social Security and tier 1 Railroad Retirement benefits are not added to federal AGI, benefits received prior to 1984 are not subjected to Kansas income tax.

Federal Law for Tax Year 1984

Beginning in tax year 1984 part of Social Security and tier 1 Railroad Retirement benefits will be included in federal AGI under certain circumstances. The amount included will be the lesser of one-half of the benefit or one-half of the excess of "modified AGI" over \$25,000 for a single taxpayer, \$32,000 for a joint return, or zero for certain married taxpayers not filing joint returns.

"Modified AGI" is AGI without deductions for the two-earner married couple deduction, or certain foreign, U.S. possessions and Puerto Rican source income exclusions and increased by the amount of tax-exempt interest received or accrued during the year and one-half of Social Security or Tier I Railroad Retirement benefit. The computation is illustrated by the following hypothetical example for two-earner couple with AGI of \$24,000, Social Security benefits of \$8,000, tax-exempt interest income of \$5,000, and a two-earner married couple deduction of \$500.

AGI	\$ 24,000
interest	5,000
Social Security (one half)	4,000
two-earner deduction	500
Modified AGI	\$ 33,500
base amount	(32,000)
excess	\$ 1,500
one-half of excess	\$ 750
one-half of social security	\$ 4,000

Thus, federal AGI for this hypothetical couple would be \$24,750, and \$750 of their Social Security benefits would be subject to income tax.

Effect in Kansas

For Kansas individual income tax purposes the larger federal AGI would be the starting point for computing the tax and thus Kansas also would tax a part of Social Security benefits.

LWVK LEAGUE OF WOMEN VOTERS OF KANSAS

909 Topeka Boulevard-Annex

913/354-7478

Topeka, Kansas 66612

March 20, 1984

STATEMENT TO THE HOUSE ASSESSMENT AND TAXATION COMMITTEE OPPOSING
SB 624.

Mr. Chairman and Members of the Committee:

I am Marian Warriner speaking for the League of Women Voters of Kansas. The members of the League oppose increasing tax exemptions for high income taxpayers including the exemption of the social security benefits and first tier railroad retirements. Perhaps low income retirees are due a tax break, but at levels of \$25,000 single and at \$32,000 married, in our opinion it is not appropriate.

If this bill is not passed the revenue gain to the General Fund is \$3.75 million. The legislature is appropriating over the Governor's recommendation on one hand and decreasing revenue receipts on the other.

This \$3.75 million would replace part of the loss from the increase in the personal exemption (LWVK does not support HB 2612 without replacement revenue). It could also help when the final decisions are made on school finance and numerous other programs well worth funding.

Thank you.

Marian Warriner

Marian Warriner
LWVK Lobbyist

Testimony before the House Assessment and Taxation Committee by
Representative Clint Acheson

Senate Bill 624 is identical to HB 2621 which I introduced earlier in the session. The purpose of both bills is to remove from Kansas taxable income Title II Social Security benefits and Tier I Railroad retirement benefits. Kansas being a conformity state one half of these benefits could be taxable as a result of Congress having passed PL 98-21 in 1983.

PL 98-21 requires that one half of the benefits of Social Security or Tier I Railroad Retirement benefits will be used to reach the \$25,000 threshold for an individual return or \$32,000 on a joint return. In addition, all income from state and local tax exempt bonds will be added to reach these thresholds. Benefits over and above these two amounts would be subject to the tax in each case. In my opinion, using the income from state and local tax exempt securities is a dangerous precedent and will in effect repeal the tax exempt status of these bonds and make them less marketable to this group of taxpayers.

About 25,000 Kansans receiving Social Security benefits will be affected by this legislation. In addition several thousand railroad retirees will be similarly affected--a high percentage of these people vote!

A great majority of those initially penalized are those who have been paying into the Social Security program since its inception in the late 30's. Most of these people have been in the lower end of the middle income bracket--they have skimped and saved during their productive years knowing full well that the benefits from Social Security or other retirement programs alone would not sustain them.

These are the same people who for most of their productive lives have been counted in the group that has borne the greatest share of the tax burden for this nation and Kansas, and continue to pay taxes of all kinds.

The income from this tax has not been included in either the Governor's estimates or the consensus' estimates so I submit to you that unless this Legislation is passed it will be a windfall for the state, borne entirely by retired people.

When Public Law 98-21 was passed by Congress, it was designed to help bail out the Social Security program. Applying this tax at the state level will do nothing to accomplish that purpose.

Finally when the Social Security program was first enacted, it was designed to treat all Americans equal, but the Congress defaulted on that promise in 1983. SB 624 will help return a little integrity to the program. I encourage you to act favorably on SB 624. Thank you for listening.

Proposed amendment to SB 624

On page 4, in line 135, before "railroad" by inserting ",
tier 2 or windfall";



Kansas Retired Teachers Association



1983-1984

ELECTIVE OFFICERS

- President**
Mr. Glenn E. Burnette
1630 Knollwood
Topeka, Ks. 66611
Phone 913-232-5404
- President Elect**
Mrs. Etta Blanche Dahlgren
4326 Waverly
Kansas City, Ks. 66104
Phone 913-287-2279
- Vice President**
Mr. Morris J. Thompson
412 E. 13th
Hutchinson, Ks. 67501
Phone 316-662-3002
- Secretary**
Mrs. Thyra Olson
106 W. Saline
Lindsborg, Ks. 67456
Phone 913-227-3661
- Treasurer**
Mr. Mearle Hoover
2135 Norton
Salina, Ks. 67401
Phone 913-827-5443
- Assistant Treasurer**
Mr. Fred Jarvis
1122 N. Cedar
Abilene, Ks. 67410
913-263-1533
- Chairman of Editing & Publishing Committee**
Mrs. Elsie Klemp
608 E. Price
Garden City, Ks. 67846
Phone 316-275-5322
- Legislative Chairman**
Mr. Laurence Stanton
406 LaVista
Dodge City, Ks. 67801
Phone 316-227-8877
- Past President**
Mrs. Margaret Riddick
2534 Broadway
Great Bend, Ks. 67530
Phone 316-793-3714

DISTRICT DIRECTORS

- District 1**
Mr. Arnold J. Lehmann
216 W. Wilson
Salina, Ks. 67401
913-827-1913
- District 2**
Mr. Jack Rose
808 Iowa St.
Holton, Ks. 66436
Phone 913-364-2965
- District 3**
Mr. Willis Jordan
935 Maple
Ottawa, Ks. 66067
913-242-6130
- District 4**
Mrs. Ruth A. McCarty
Box 334
Bucklin, Ks. 67834
Phone 316-826-3769
- District 5**
Mrs. Martha D. Hicks
1323 N. Erie
Wichita, Ks. 67214
Phone 316-682-2490
- District 6**
Mrs. Beulah C. Bohn
Route #1, Box 192
Fall River, Ks. 67047
Phone 316-736-2213

March 20, 1984

Mr. Chairman, and members of the committee:

I want to speak in support of SB 624.

My name is Basil Covey and I represent the Kansas Retired Teachers Association which includes all retired school personnel.

SB 624 gives hope to over 25,000 retired citizens in Kansas that their retirement program will remain intact.

This generation of retired citizens were around in the Great Depression when Congress created the Social Security System so that citizens would be able to plan for retirement. When the Social Security System was in financial trouble, Congress took responsible action to save the System, that it may serve future retired citizens.

Quoting a state legislation counselor, "Certainly it was not Congress' intent to broaden the states' tax base at the expense of Social Security beneficiaries." Since Kansas has not stated the need for these funds, and the funds are not included in the governor's budget, it makes no sense to permit the state of Kansas, by default, to ride in on the federal "shirt-tail" at the expense of retired citizens in Kansas.

Several states have already taken action to serve the best interests of their retired citizens and we urge you to help Kansas to join them.

We hope that you will give SB 624 a favorable vote and send it on to the governor's desk for his signature.

Sincerely,

Basil Covey
KRTA

APPOINTIVE OFFICERS

Legislative Committee
Mr. Edwin J. Friesen
6605 Abbottsford
Wichita, Ks. 67206
Phone 316-682-2349

Mr. Earl Ludlum
Route #3 - Box 108
Pittsburg, Ks. 66762
316-231-5842

Dr. Calvin E. Harbin
303 W. 19th
Hays, Ks. 67601
913-625-2428

Basil R. Covey
3119 W. 31st Ct.
Topeka, Ks. 66614
913-272-5714

Mr. Kenneth Rogg
110 Hillcrest Dr.
Paola, Ks. 66071
913-294-3933

Historian and Parliamentarian
Mrs. Faye Riggs
604 N. Washington
Lindsborg, Ks. 67456
Phone 913-227-3434

Community Affairs Chairman
Mr. Frank Rosser
S. Topeka
Holton, Ks. 66436
913-364-2860

Necrology Chairman
Mrs. Eunice E. Schnitzer
1711 N. 4th, Apt. 518
Arkansas City, Ks. 67005
Phone 316-442-2685

Informative and Protective Services
Mrs. Lucy E. Clark
425 Morningside Dr.
Newton, Ks. 67114
316-283-2421

Retirement Planning Chairman
Mrs. Hazel Hawks
7835 Sandusky
Kansas City, Ks. 66112
Phone 913-788-7167

Membership Chairman
Mr. Elbert Fly
1830 Cheyenne Rd.
Topeka, Ks. 66604
Phone 913-272-2822

NRTA Coordinator
Mr. Marvin Forker
Box 602
Ottawa, Ks. 66067
Phone 913-242-4616

Corresponding Secretary
Mrs. Edith K. Copenhafer
1638 Withdean Rd.
Topeka, Ks. 66611
913-232-5311

To: Chairman Braden and Members of the House Committee on Assessment and Taxation.

My name is James E. Sheetz and I am a Santa Fe retiree who wishes to call to your attention a significant omission from Senate Bill SB-624.

During 1983 the Congress enacted HR-1646 which is called the "Railroad Retirement Solvency Act of 1983". This law provides certain benefit reductions and modifications. It also provides revenue increases which hopefully will insure solvency in the Railroad Retirement System. Taxation of Tier 2 and Windfall Benefits was included for this purpose.

I am opposed to Kansas taxation of these benefits. Such taxation would have no bearing on the solvency of the Railroad Retirement System and that was the only reason for the federal taxation in the first place.

It should be noted that Kansas taxation on Tier 2 and Windfall benefits would fall on all Kansas Railroad Retirees who file a Kansas Income Tax return and on many not now required to file on account of income too low. This would be a hardship on many retirees as Medicare costs, higher deductibles and smaller inflation adjustments will probably continue to have a larger and larger adverse effect on Retirement Income.

I wish to urge that this bill be amended to exclude all Railroad Retirement Benefits and Windfall Benefits from Kansas taxation.

Thank you for allowing me to present my views.

James E. Sheetz
2330 Crest Drive
Topeka, Kansas

March 16, 1984

Testimony before the House Assessment & Taxation Committee
by John O. Miller Topeka, Kansas, Tuesday, March 20, 1984

Chairman Braden and members of the House Assessment & Taxation Committee. My name is John Miller, I live in Topeka, Kansas. I appear before your committee today in support of Senate Bill #624.

Some Kansas Social Security and Railroad Retirement recipients already facing federal income taxation of their benefits in 1984 could have those payments taxed even more unless the Kansas Legislature passes legislation such as SB 624. Kansas has conformity statutes that require Kansas to follow federal guidelines.

Provisions of 1983 Social Security legislation call for federal taxation of up to one-half of Social Security payments to recipients whose adjusted gross income (with one-half of their Social Security added in) exceeds \$25,000 for an individual or \$32,000 for a married couple.

The amount of the benefit to be taxed federally will be the lesser of either one-half of a person's annual Social Security benefits or one-half the amount by which combined income (adjusted gross income plus one-half of Social Security income and income from tax exempt bonds) exceeds the \$25,000 or \$32,000 threshold. This tax will be applicable to 1984 income.

I want to call your attention to two items as I have related in the federal laws. One says adjusted gross income. To most Social Security recipients, adjusted gross income, means gross income because few of them will have any of the deductions allowed from gross income to reach their adjusted gross income. Secondly, you will note that Social Security recipients must include interest from tax exempt bonds as income in arriving at their adjusted gross income for federal taxation.

The federal legislation was intended to shore up the Old Age and Survivors Insurance and Disability Trust Funds which are expected to accumulate about \$27 billion from this new revenue source over the next six years. I for one do not object to paying this federal tax if it will keep the Trust Fund solvent.

I feel certain it was not the intent of Congress to broaden the states' tax base at the expense of Social Security and Railroad retirees' beneficiaries. This unexpected windfall will vary among the states that have conformity laws like Kansas. I am not sure what

this tax increase will be in Kansas. Some states have estimated that a couple over age 65 whose adjusted gross income is \$32,500 would face an annual tax jump of about \$140.00. Some states' estimate a tax of \$250.00 for a couple. The tax money received by Kansas if SB #624 is not passed is strictly a windfall at the expense of many older Kansans. It certainly will not in anyway be used to shore up the Old Age and Survivors Insurance and Disability Trust Funds.

I urge you to give favorable consideration to passage of SB 624.

If you have questions, I will be glad to respond to the best of my knowledge.



Kansas

DEPARTMENT OF REVENUE

State Office Building
Topeka, KS 66625

MEMORANDUM

February 15, 1984

TO: The Honorable Paul Burke, Chairman
Senate Committee on Assessment and Taxation

FROM: Harley T. Duncan
Secretary of Revenue *HTD*

SUBJECT: Senate Bill 624 - Excluding Amounts Received as Social Security
and Railroad Retirement Benefits from Adjusted Gross Income for
Kansas Income Tax Purposes

Thank you for the opportunity to appear before you to discuss Senate Bill 624, which is intended to exclude from Kansas adjusted gross income any Social Security or Tier I Railroad Retirement benefits which may be included in federal adjusted gross income as a result of P.L. 98-21 enacted by the Congress in 1983. I want to stress at the outset that the Department of Revenue takes no position with respect to Senate Bill 624. Instead, my intent is to provide information on the bill and its fiscal impact.

Mechanics of the Taxation

At the federal level, the process by which a portion of the Social Security and Tier I Railroad Retirement benefits of certain individuals may be subjected to federal income taxation works as follows:

1. A taxpayer receiving Social Security or Tier I benefits is required to compute a "modified adjusted gross income." The modified adjusted gross income is to consist of the regular federal adjusted gross income (AGI) as computed on Form 1040 plus:

- One-half the Social Security or Tier I benefits received;
- Tax-exempt state and local bond interest received;
- Any deduction taken for two earner married couples;
- Amounts excluded as foreign-earned income; and
- Amounts excluded as possession or Puerto Rican source income.

EXHIBIT VII

3/20/84

That is, modified AGI is to represent more closely than regular AGI the money income a taxpayer has at his/her disposal by adding back a part of the Social Security or Tier I benefit and other amounts excluded from taxation for constitutional or other reasons.

2. The modified AGI is then compared to a "base amount" to determine if any of the Social Security or Tier I benefit is to be included in income. The base amount is \$32,000 for individuals filing a joint return and \$25,000 for individuals filing a single return or other returns except that the base amount for a married person not filing a joint return and not living apart from his/her spouse for the entire year is zero. The zero base amount is to discourage married filing separate returns where there would normally be joint returns.
3. If the modified AGI is greater than the appropriate base amount, the taxpayer is required to include in his/her gross income, the lesser of one-half of the Social Security or Tier I benefits received or one-half of the amount by which the modified AGI exceeds the base amount. That is, a taxpayer filing a joint return with a modified AGI of \$42,000 and receiving \$7,000 in Social Security benefits would add \$3,500 to gross income (i.e., 1/2 of \$7,000 is less than 1/2 of \$10,000 which is the excess over the \$32,000 base amount.) If, however, under the same circumstances, there were \$12,000 in Social Security benefits, only \$5,000 (1/2 of the excess over \$32,000) would be added to the gross income.
4. From the point of determining any addition to gross income, the tax computation proceeds as it would normally.
5. The tax change is effective for all Social Security or Tier I benefits received after December 31, 1983 and all tax years beginning after December 31, 1983, i.e., tax year 1984 and beyond.
6. Because any amount that must be added under this law is added to gross income, and Kansas law starts with federal AGI (i.e., the addition will already have been made) the additional income will be "picked up" for taxation in Kansas unless there is a change in current law.

Effect on Hypothetical Taxpayers

The tables at the back of this memorandum present information on the effect of this tax change at the federal and state levels with no change in state law and with the enactment of Senate Bill 624. The two taxpayers chosen include: (a) a married couple, 64 year old or less, with regular AGI of \$42,000, \$9,000 in Social Security benefits, filing with 2 exemptions and a standard deduction; and (b) a single taxpayer, 64 years old or less, \$24,000 in regular AGI, \$7,000 in Social Security benefits, filing with one exemption and a standard deduction.

As shown, the Kansas tax increase with no change in current law for the married couple is \$226 or an increase of 0.1 percentage point in their effective tax rate. This compares to a federal tax increase of \$1,485, which is a 1.4

percentage point increase in the effective tax rate. You will note that the increase in taxable income at the federal level is greater than at the state level because the increased federal tax is deductible at the state level.

For the single taxpayer referenced above, the increase in state income tax with no change in current law is \$67 and 0.1 percentage point increase in the effective tax rate. This compares to a federal tax increase of \$355 or 0.6 percentage points when measured in terms of the effective tax rate.

If, however, Senate Bill 624 is enacted, taxpayers affected by the federal changes will experience some decrease in their state income tax liability from what it would have been had the federal change not been enacted. This results because these taxpayers will have a higher federal tax liability which can be deducted, thus decreasing Kansas taxable income and Kansas tax liability. The decrease in Kansas taxable income will not be as great as the increase in federal tax liability, however, because the federal tax deduction must be pro-rated by the ratio of Kansas AGI to federal AGI.

As shown, the decrease in state liability from what it would be absent any federal change is \$42 or a 0.1 percentage point decline in the effective tax rate for the hypothetical married taxpayer. For the single taxpayer, the decrease is \$10, which creates a negligible change in the effective tax rate.

Fiscal Impact

The Department of Revenue and the Legislative Research Department have cooperated in estimating the fiscal impact of Senate Bill 624. It is estimated that enactment of Senate Bill 624 would result in a decrease of approximately \$750,000 in income tax collections in tax year 1984. Again, the decrease results because the income added at the federal level will result in a higher federal liability, some portion of which will be deducted in Kansas. The estimate is based on a federal projection that the change enacted by P.L. 98-21 will raise federal revenues by \$2.6 billion nationally, of which 1.2 percent or \$31.2 million will be paid by Kansans. The 1.2 percent ratio is based on the proportion of all Social Security benefits paid nationally to those paid to residents of Kansas. Of the \$31.2 million in additional federal liability, 40 percent will flow through to reduce Kansas taxable income by \$12.5 million which, at an estimated marginal tax rate of 6.0 percent, yields a revenue loss of \$0.75 million.

Utilizing roughly the same methodology, it is estimated the federal tax change, with no change in state law, increases state income tax receipts by approximately \$3.0 million. While this figure was not utilized specifically in the consensus estimate of individual income tax receipts, I would urge the Committee not to assume that such an amount will necessarily be added to the current estimates. The \$3.0 million is less than 0.5 percent of the total \$650 million in individual income taxes estimated in FY 1985. Any adjustments to that figure will depend on many factors such as economic conditions and patterns in current year receipts.

The Department estimates that approximately 25-30,000 Kansas taxpayers will be affected by the federal tax change. This figure is based on an estimated 2.2 million taxpayers being affected nationally which constitutes 8.8 percent of the 25 million persons over age 65. There are roughly 312,000 Kansans over age 65, of which 8.8 percent is approximately 27,500.

disregard

Other Considerations

There is one other issue I would like to raise for the Committee. I presume the intent of Senate Bill 624 was to eliminate the impact of the federal tax change on Kansas AGI. As the bill is written, however, it is only the Social Security or Tier I benefits that are subtracted from federal AGI for state tax purposes. For some taxpayers affected by the federal change, the amount added to federal AGI will be one-half of the amount by which their "modified AGI" exceeds the base amount. This amount would not seem to be deducted from federal AGI as the bill is drawn. This would seem to create unreasonable differences among similarly situated taxpayers and would seem to affect those taxpayers whose Social Security benefits comprise a larger proportion of their modified AGI.

I trust this information is helpful. I would be glad to attempt to answer any questions.

HTD:b/2/S400

Computation of Addition to Gross Income

Married	Item	Single
\$ 9,000	Social Security Benefits	\$ 7,000
42,000	Adjusted Gross Income	24,000
4,500	Plus: 1/2 of Soc. Sec. Benefit	3,500
<u>\$46,500</u>	Modified AGI	<u>\$27,500</u>
32,000	Less: Base Amount	25,000
<u>\$14,500</u>	Excess Above Base Amount	<u>\$ 2,500</u>
7,250	1/2 of Excess	1,250
4,500	1/2 of Soc. Sec. Benefit	3,500
4,500	Amount Added to Gross Income	1,250
46,500	AGI with Added Income	25,250

Computation of Tax

Married Taxpayer
64 Years Old or Less
\$9,000 in Social Security Benefits

2 Exemptions
Standard Deduction
1984 Tax Tables

	Law Prior to 1984	Law After 1984 without SB 624	Law After 1984 with SB 624
Federal AGI	\$42,000	\$46,500	\$46,500
Taxable Income	\$40,000	\$44,500	\$44,500
Federal Liability	\$ 7,858	\$ 9,343	\$ 9,343
Liability as % of AGI	18.7	20.1	20.1
Kansas AGI	\$42,000	\$46,500	\$42,000
Taxable Income	\$29,342	\$32,357	\$28,791
Kansas Liability	\$ 1,601	\$ 1,827	\$ 1,559
Liability as % of AGI	3.8	3.9	3.7

Single Taxpayer
64 Year Old or Less
\$7,000 in Social Security Benefits

1 Exemption
Standard Deduction
1984 Tax Tables

	Law Prior to 1984	Law After 1984 without SB 624	Law After 1984 with SB 624
Federal AGI	\$24,000	\$25,250	\$25,250
Taxable Income	\$23,000	\$24,250	\$24,250
Federal Liability	\$ 3,985	\$ 4,340	\$ 4,340
Liability as % of AGI	16.6	17.2	17.2
Kansas AGI	\$24,000	\$25,250	\$24,000
Taxable Income	\$16,615	\$17,510	\$16,477
Kansas Liability	\$ 946	\$ 1,013	\$ 936
Liability as % of AGI	3.9	4.0	3.9