

SESSION OF 2002

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2948

As Amended by House Committee on
Taxation

Brief*

HB 2948, as amended, would make changes to the Historic Structure Rehabilitation Expenditure Credit which was created in 2001. This credit is equal to 25 percent of qualified expenditures incurred in the restoration and preservation of a qualified historic structure pursuant to a qualified rehabilitation plan.

HB 2948, as amended, would allow the credit to be claimed against the financial institutions privilege tax or the insurance premiums tax in addition to the income tax which is currently in statute.

The bill would clarify the treatment of business entities claiming the credits against individual income taxes.

Finally, the bill would allow for the transfer of credits. The bill would require a written agreement between the parties detailing the terms and conditions of the transfer. The transfer would be official upon notification of the Cultural Resources Division of the State Historical Society in writing within 90 days of the effective date of the transfer.

Background

The House Committee held hearings on HB 2948, at which time a representative of the Cultural Resources Division of the State Historical Society testified on behalf of the bill and offered amendments.

The House Committee adopted the amendments requested by the State Historical Society. These included, among other things, the removal of provisions restricting the transferability of credits and the

*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/cgi-bin/fulltext/bills.cgi>

addition of language clarifying the treatment of taxpayers claiming credits against the individual income tax.

The Division of the Budget reports that the revenue impact of HB 2948, as introduced, would be negligible. Information relating to the fiscal impact of the House Committee amendments was not available upon publication of this Supplemental Note.