

KANSAS OFFICE of
REVISOR of STATUTES

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300 SW TENTH AVENUE ▪ SUITE 24-E ▪ TOPEKA, KS 66612 ▪ (785) 296-2321

MEMORANDUM

To: Members of the House Committee on Taxation
From: Office of Revisor of Statutes
Date: January 27, 2025
Subject: House Bill No. 2012 (As Introduced)

Summary

House Bill No. 2012 provides for an income tax credit for the sale and distribution of ethanol blends for motor vehicles.

For tax years 2026 through 2031, an income tax credit would be available for a retail dealer that sells higher ethanol blend at such retail dealer's retail service station or a distributor that sells higher ethanol blend directly to the final user located in this state. The amount of the credit shall equal \$0.05 per gallon of higher ethanol blend sold by the retail dealer and dispensed through metered pumps at the retail dealer's retail service station or by a distributor directly to the final user located in this state during the tax year for which the tax credit is claimed.

Unused credit amounts may be carried forward for up to five taxable years immediately following the taxable year for which the credits were allowed. The credit shall not be refundable.

The total amount of tax credits issued pursuant to this section shall not exceed \$5,000,000 per tax year.