

KANSAS OFFICE of  
**REVISOR of STATUTES**

LEGISLATURE of THE STATE of KANSAS  
*Legislative Attorneys transforming ideas into legislation.*

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**MEMORANDUM**

To: Senate Committee on Assessment and Taxation  
From: Office of Revisor of Statutes  
Date: March 4, 2025  
Subject: Senate Bill No. 259, As Introduced

**Summary**

Senate Bill No. 259 relates to income tax and provides for future income tax rate decreases contingent on exceeding certain inflation adjusted revenues.

The bill provides for possible decreases in income tax rates based on a formulaic calculation of whether general revenue fund collections for the prior fiscal year exceed the adjusted base year revenues with calculated increases for inflation.

On August 15 of each year, the Director of the Budget would determine if there was an excess of *adjusted general revenue fund collections* (actual tax revenues to the state general fund) for the previous fiscal year when compared to the *inflation adjusted base year revenues*. In the event that there is an excess, the amount of excess would be converted into an income tax rate reduction to go into effect for the next tax year. Individual income tax rates would first be decreased until both brackets were lowered to 4.5%. Once the individual income tax rates reach 4.5%, any further decreases would apply to the surtax on corporations until the combined normal and surtax income tax rates on corporations equaled 4.5%.

The bill would take effect from and after its publication in the statute book.