

SENATE BILL No. 39

By Committee on Federal and State Affairs

1-16

1 AN ACT concerning legal tender; establishing the Kansas legal tender act;
2 reaffirming gold and silver coin as legal tender; providing an income
3 taxation subtraction modification for gains from the sale of specie;
4 amending K.S.A. 2024 Supp. 79-32,117 and repealing the existing
5 section.

6
7 *Be it enacted by the Legislature of the State of Kansas:*

8 New Section 1. Sections 1 through 6, and amendments thereto, shall
9 be known and may be cited as the Kansas legal tender act.

10 New Sec. 2. As used in the Kansas legal tender act:

11 (a) "Legal tender" means a recognized medium of exchange for the
12 payment of debts and taxes; and

13 (b) "specie" means:

14 (1) Coin having gold or silver content; or

15 (2) refined gold or silver bullion that is coined, stamped or imprinted
16 with its weight and purity and valued primarily based on its metal content
17 and not its form.

18 New Sec. 3. Specie legal tender in Kansas consists of:

19 (a) Specie coin issued by the United States government at any time;
20 or

21 (b) any other specie that a court of competent jurisdiction, by final
22 and unappealable order, rules to be within state authority to make or
23 designate as legal tender.

24 New Sec. 4. (a) No specie or legal tender shall be characterized as
25 personal property for taxation or regulatory purposes.

26 (b) The exchange of one type or form of legal tender for another type
27 or form of legal tender shall not give rise to any tax liability of any kind.

28 (c) The purchase, sale or exchange of any type or form of specie shall
29 not give rise to any tax liability of any kind.

30 (d) The provisions of this section shall not apply to taxable
31 distributions from any retirement plan account that holds specie.

32 New Sec. 5. Unless expressly provided by statute or by contract, no
33 person shall have the right to compel any other person to tender specie or
34 to accept specie as tender.

35 New Sec. 6. (a) The attorney general shall enforce this act without
36 prejudice to any private right of action.

1 (b) Kansas courts shall require specific performance as a remedy for
2 breach of any contract designating a type or form of specie as tender.

3 Sec. 7. K.S.A. 2024 Supp. 79-32,117 is hereby amended to read as
4 follows: 79-32,117. (a) The Kansas adjusted gross income of an individual
5 means such individual's federal adjusted gross income for the taxable year,
6 with the modifications specified in this section.

7 (b) There shall be added to federal adjusted gross income:

8 (i) Interest income less any related expenses directly incurred in the
9 purchase of state or political subdivision obligations, to the extent that the
10 same is not included in federal adjusted gross income, on obligations of
11 any state or political subdivision thereof, but to the extent that interest
12 income on obligations of this state or a political subdivision thereof issued
13 prior to January 1, 1988, is specifically exempt from income tax under the
14 laws of this state authorizing the issuance of such obligations, it shall be
15 excluded from computation of Kansas adjusted gross income whether or
16 not included in federal adjusted gross income. Interest income on
17 obligations of this state or a political subdivision thereof issued after
18 December 31, 1987, shall be excluded from computation of Kansas
19 adjusted gross income whether or not included in federal adjusted gross
20 income.

21 (ii) Taxes on or measured by income or fees or payments in lieu of
22 income taxes imposed by this state or any other taxing jurisdiction to the
23 extent deductible in determining federal adjusted gross income and not
24 credited against federal income tax. This paragraph shall not apply to taxes
25 imposed under the provisions of K.S.A. 79-1107 or 79-1108, and
26 amendments thereto, for privilege tax year 1995, and all such years
27 thereafter.

28 (iii) The federal net operating loss deduction, except that the federal
29 net operating loss deduction shall not be added to an individual's federal
30 adjusted gross income for tax years beginning after December 31, 2016.

31 (iv) Federal income tax refunds received by the taxpayer if the
32 deduction of the taxes being refunded resulted in a tax benefit for Kansas
33 income tax purposes during a prior taxable year. Such refunds shall be
34 included in income in the year actually received regardless of the method
35 of accounting used by the taxpayer. For purposes hereof, a tax benefit shall
36 be deemed to have resulted if the amount of the tax had been deducted in
37 determining income subject to a Kansas income tax for a prior year
38 regardless of the rate of taxation applied in such prior year to the Kansas
39 taxable income, but only that portion of the refund shall be included as
40 bears the same proportion to the total refund received as the federal taxes
41 deducted in the year to which such refund is attributable bears to the total
42 federal income taxes paid for such year. For purposes of the foregoing
43 sentence, federal taxes shall be considered to have been deducted only to

1 the extent such deduction does not reduce Kansas taxable income below
2 zero.

3 (v) The amount of any depreciation deduction or business expense
4 deduction claimed on the taxpayer's federal income tax return for any
5 capital expenditure in making any building or facility accessible to the
6 handicapped, for which expenditure the taxpayer claimed the credit
7 allowed by K.S.A. 79-32,177, and amendments thereto.

8 (vi) Any amount of designated employee contributions picked up by
9 an employer pursuant to K.S.A. 12-5005, 20-2603, 74-4919 and 74-4965,
10 and amendments thereto.

11 (vii) The amount of any charitable contribution made to the extent the
12 same is claimed as the basis for the credit allowed pursuant to K.S.A. 79-
13 32,196, and amendments thereto.

14 (viii) The amount of any costs incurred for improvements to a swine
15 facility, claimed for deduction in determining federal adjusted gross
16 income, to the extent the same is claimed as the basis for any credit
17 allowed pursuant to K.S.A. 79-32,204, and amendments thereto.

18 (ix) The amount of any ad valorem taxes and assessments paid and
19 the amount of any costs incurred for habitat management or construction
20 and maintenance of improvements on real property, claimed for deduction
21 in determining federal adjusted gross income, to the extent the same is
22 claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,203,
23 and amendments thereto.

24 (x) Amounts received as nonqualified withdrawals, as defined by
25 K.S.A. 75-643, and amendments thereto, if, at the time of contribution to a
26 family postsecondary education savings account, such amounts were
27 subtracted from the federal adjusted gross income pursuant to subsection
28 (c)(xv) or if such amounts are not already included in the federal adjusted
29 gross income.

30 (xi) The amount of any contribution made to the same extent the
31 same is claimed as the basis for the credit allowed pursuant to K.S.A. 74-
32 50,154, and amendments thereto.

33 (xii) For taxable years commencing after December 31, 2004,
34 amounts received as withdrawals not in accordance with the provisions of
35 K.S.A. 74-50,204, and amendments thereto, if, at the time of contribution
36 to an individual development account, such amounts were subtracted from
37 the federal adjusted gross income pursuant to subsection (c)(xiii), or if
38 such amounts are not already included in the federal adjusted gross
39 income.

40 (xiii) The amount of any expenditures claimed for deduction in
41 determining federal adjusted gross income, to the extent the same is
42 claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,217
43 through 79-32,220 or 79-32,222, and amendments thereto.

1 (xiv) The amount of any amortization deduction claimed in
2 determining federal adjusted gross income to the extent the same is
3 claimed for deduction pursuant to K.S.A. 79-32,221, and amendments
4 thereto.

5 (xv) The amount of any expenditures claimed for deduction in
6 determining federal adjusted gross income, to the extent the same is
7 claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,223
8 through 79-32,226, 79-32,228 through 79-32,231, 79-32,233 through 79-
9 32,236, 79-32,238 through 79-32,241, 79-32,245 through 79-32,248 or 79-
10 32,251 through 79-32,254, and amendments thereto.

11 (xvi) The amount of any amortization deduction claimed in
12 determining federal adjusted gross income to the extent the same is
13 claimed for deduction pursuant to K.S.A. 79-32,227, 79-32,232, 79-
14 32,237, 79-32,249, 79-32,250 or 79-32,255, and amendments thereto.

15 (xvii) The amount of any amortization deduction claimed in
16 determining federal adjusted gross income to the extent the same is
17 claimed for deduction pursuant to K.S.A. 79-32,256, and amendments
18 thereto.

19 (xviii) For taxable years commencing after December 31, 2006, the
20 amount of any ad valorem or property taxes and assessments paid to a state
21 other than Kansas or local government located in a state other than Kansas
22 by a taxpayer who resides in a state other than Kansas, when the law of
23 such state does not allow a resident of Kansas who earns income in such
24 other state to claim a deduction for ad valorem or property taxes or
25 assessments paid to a political subdivision of the state of Kansas in
26 determining taxable income for income tax purposes in such other state, to
27 the extent that such taxes and assessments are claimed as an itemized
28 deduction for federal income tax purposes.

29 (xix) For taxable years beginning after December 31, 2012, and
30 ending before January 1, 2017, the amount of any: (1) Loss from business
31 as determined under the federal internal revenue code and reported from
32 schedule C and on line 12 of the taxpayer's form 1040 federal individual
33 income tax return; (2) loss from rental real estate, royalties, partnerships, S
34 corporations, except those with wholly owned subsidiaries subject to the
35 Kansas privilege tax, estates, trusts, residual interest in real estate
36 mortgage investment conduits and net farm rental as determined under the
37 federal internal revenue code and reported from schedule E and on line 17
38 of the taxpayer's form 1040 federal individual income tax return; and (3)
39 farm loss as determined under the federal internal revenue code and
40 reported from schedule F and on line 18 of the taxpayer's form 1040
41 federal income tax return; all to the extent deducted or subtracted in
42 determining the taxpayer's federal adjusted gross income. For purposes of
43 this subsection, references to the federal form 1040 and federal schedule

1 C, schedule E, and schedule F, shall be to such form and schedules as they
2 existed for tax year 2011, and as revised thereafter by the internal revenue
3 service.

4 (xx) For taxable years beginning after December 31, 2012, and
5 ending before January 1, 2017, the amount of any deduction for self-
6 employment taxes under section 164(f) of the federal internal revenue
7 code as in effect on January 1, 2012, and amendments thereto, in
8 determining the federal adjusted gross income of an individual taxpayer, to
9 the extent the deduction is attributable to income reported on schedule C,
10 E or F and on line 12, 17 or 18 of the taxpayer's form 1040 federal income
11 tax return.

12 (xxi) For taxable years beginning after December 31, 2012, and
13 ending before January 1, 2017, the amount of any deduction for pension,
14 profit sharing, and annuity plans of self-employed individuals under
15 section 62(a)(6) of the federal internal revenue code as in effect on January
16 1, 2012, and amendments thereto, in determining the federal adjusted gross
17 income of an individual taxpayer.

18 (xxii) For taxable years beginning after December 31, 2012, and
19 ending before January 1, 2017, the amount of any deduction for health
20 insurance under section 162(l) of the federal internal revenue code as in
21 effect on January 1, 2012, and amendments thereto, in determining the
22 federal adjusted gross income of an individual taxpayer.

23 (xxiii) For taxable years beginning after December 31, 2012, and
24 ending before January 1, 2017, the amount of any deduction for domestic
25 production activities under section 199 of the federal internal revenue code
26 as in effect on January 1, 2012, and amendments thereto, in determining
27 the federal adjusted gross income of an individual taxpayer.

28 (xxiv) For taxable years commencing after December 31, 2013, that
29 portion of the amount of any expenditure deduction claimed in
30 determining federal adjusted gross income for expenses paid for medical
31 care of the taxpayer or the taxpayer's spouse or dependents when such
32 expenses were paid or incurred for an abortion, or for a health benefit plan,
33 as defined in K.S.A. 65-6731, and amendments thereto, for the purchase of
34 an optional rider for coverage of abortion in accordance with K.S.A. 40-
35 2,190, and amendments thereto, to the extent that such taxes and
36 assessments are claimed as an itemized deduction for federal income tax
37 purposes.

38 (xxv) For taxable years commencing after December 31, 2013, that
39 portion of the amount of any expenditure deduction claimed in
40 determining federal adjusted gross income for expenses paid by a taxpayer
41 for health care when such expenses were paid or incurred for abortion
42 coverage, a health benefit plan, as defined in K.S.A. 65-6731, and
43 amendments thereto, when such expenses were paid or incurred for

1 abortion coverage or amounts contributed to health savings accounts for
2 such taxpayer's employees for the purchase of an optional rider for
3 coverage of abortion in accordance with K.S.A. 40-2,190, and
4 amendments thereto, to the extent that such taxes and assessments are
5 claimed as a deduction for federal income tax purposes.

6 (xxvi) For all taxable years beginning after December 31, 2016, the
7 amount of any charitable contribution made to the extent the same is
8 claimed as the basis for the credit allowed pursuant to K.S.A. 72-4357, and
9 amendments thereto, and is also claimed as an itemized deduction for
10 federal income tax purposes.

11 (xxvii) For all taxable years commencing after December 31, 2020,
12 the amount of any interest expense paid or accrued in a previous taxable
13 year but allowed as a deduction pursuant to section 163 of the federal
14 internal revenue code in the current taxable year by reason of the
15 carryforward of disallowed business interest pursuant to section 163(j) of
16 the federal internal revenue code. For purposes of this paragraph, an
17 interest expense is considered paid or accrued only in the first taxable year
18 the deduction would have been allowable pursuant to section 163 of the
19 federal internal revenue code if the limitation pursuant to section 163(j) of
20 the federal internal revenue code did not exist.

21 (xxviii) For all taxable years beginning after December 31, 2021, the
22 amount of any contributions to, or earnings from, a first-time home buyer
23 savings account if distributions from the account were not used to pay for
24 expenses or transactions authorized pursuant to K.S.A. 2024 Supp. 58-
25 4904, and amendments thereto, or were not held for the minimum length
26 of time required pursuant to K.S.A. 2024 Supp. 58-4904, and amendments
27 thereto. Contributions to, or earnings from, such account shall also include
28 any amount resulting from the account holder not designating a surviving
29 payable on death beneficiary pursuant to K.S.A. 2024 Supp. 58-4904(e),
30 and amendments thereto.

31 (xxix) For all taxable years beginning after December 31, 2024, the
32 amount of any contributions to, or earnings from, an adoption savings
33 account if distributions from the account were not used to pay for expenses
34 or transactions authorized pursuant to K.S.A. 2024 Supp. 38-2504, and
35 amendments thereto, or were not held for the minimum length of time
36 required pursuant to K.S.A. 2024 Supp. 38-2504, and amendments thereto.
37 Contributions to, or earnings from, such account shall also include any
38 amount resulting from the account holder not designating a surviving
39 payable on death beneficiary pursuant to K.S.A. 2024 Supp. 38-2504(e),
40 and amendments thereto.

41 (c) There shall be subtracted from federal adjusted gross income:

42 (i) Interest or dividend income on obligations or securities of any
43 authority, commission or instrumentality of the United States and its

1 possessions less any related expenses directly incurred in the purchase of
2 such obligations or securities, to the extent included in federal adjusted
3 gross income but exempt from state income taxes under the laws of the
4 United States.

5 (ii) Any amounts received which are included in federal adjusted
6 gross income but which are specifically exempt from Kansas income
7 taxation under the laws of the state of Kansas.

8 (iii) The portion of any gain or loss from the sale or other disposition
9 of property having a higher adjusted basis for Kansas income tax purposes
10 than for federal income tax purposes on the date such property was sold or
11 disposed of in a transaction in which gain or loss was recognized for
12 purposes of federal income tax that does not exceed such difference in
13 basis, but if a gain is considered a long-term capital gain for federal
14 income tax purposes, the modification shall be limited to that portion of
15 such gain which is included in federal adjusted gross income.

16 (iv) The amount necessary to prevent the taxation under this act of
17 any annuity or other amount of income or gain which was properly
18 included in income or gain and was taxed under the laws of this state for a
19 taxable year prior to the effective date of this act, as amended, to the
20 taxpayer, or to a decedent by reason of whose death the taxpayer acquired
21 the right to receive the income or gain, or to a trust or estate from which
22 the taxpayer received the income or gain.

23 (v) The amount of any refund or credit for overpayment of taxes on
24 or measured by income or fees or payments in lieu of income taxes
25 imposed by this state, or any taxing jurisdiction, to the extent included in
26 gross income for federal income tax purposes.

27 (vi) Accumulation distributions received by a taxpayer as a
28 beneficiary of a trust to the extent that the same are included in federal
29 adjusted gross income.

30 (vii) Amounts received as annuities under the federal civil service
31 retirement system from the civil service retirement and disability fund and
32 other amounts received as retirement benefits in whatever form which
33 were earned for being employed by the federal government or for service
34 in the armed forces of the United States.

35 (viii) Amounts received by retired railroad employees as a
36 supplemental annuity under the provisions of 45 U.S.C. §§ 228b(a) and
37 228c(a)(1) et seq.

38 (ix) Amounts received by retired employees of a city and by retired
39 employees of any board of such city as retirement allowances pursuant to
40 K.S.A. 13-14,106, and amendments thereto, or pursuant to any charter
41 ordinance exempting a city from the provisions of K.S.A. 13-14,106, and
42 amendments thereto.

43 (x) (1) For taxable years beginning after December 31, 2021, the

1 amount of any federal credit disallowance under the provisions of 26
2 U.S.C. § 280C(a).

3 (2) For taxable years beginning after December 31, 2019, and ending
4 before January 1, 2022, 50% of the amount of the federal employee
5 retention credit disallowance under rules similar to the rules of 26 U.S.C. §
6 280C(a). The taxpayer shall be required to prove that such taxpayer
7 previously filed Kansas income tax returns and paid Kansas income tax on
8 the disallowed amount. Notwithstanding any other provision of law to the
9 contrary, any claim for refund or amended return relating to this
10 subparagraph shall be allowed to be filed on or before April 15, 2025, and
11 no claim for refund or amended return shall be allowed or filed after April
12 15, 2025.

13 (xi) For taxable years beginning after December 31, 1986, dividend
14 income on stock issued by Kansas venture capital, inc.

15 (xii) For taxable years beginning after December 31, 1989, amounts
16 received by retired employees of a board of public utilities as pension and
17 retirement benefits pursuant to K.S.A. 13-1246, 13-1246a and 13-1249,
18 and amendments thereto.

19 (xiii) For taxable years beginning after December 31, 2004, amounts
20 contributed to and the amount of income earned on contributions deposited
21 to an individual development account under K.S.A. 74-50,201 et seq., and
22 amendments thereto.

23 (xiv) For all taxable years commencing after December 31, 1996, that
24 portion of any income of a bank organized under the laws of this state or
25 any other state, a national banking association organized under the laws of
26 the United States, an association organized under the savings and loan
27 code of this state or any other state, or a federal savings association
28 organized under the laws of the United States, for which an election as an
29 S corporation under subchapter S of the federal internal revenue code is in
30 effect, which accrues to the taxpayer who is a stockholder of such
31 corporation and which is not distributed to the stockholders as dividends of
32 the corporation. For taxable years beginning after December 31, 2012, and
33 ending before January 1, 2017, the amount of modification under this
34 subsection shall exclude the portion of income or loss reported on schedule
35 E and included on line 17 of the taxpayer's form 1040 federal individual
36 income tax return.

37 (xv) The cumulative amounts not exceeding \$3,000, or \$6,000 for a
38 married couple filing a joint return, for each designated beneficiary that
39 are contributed to: (1) A family postsecondary education savings account
40 established under the Kansas postsecondary education savings program or
41 a qualified tuition program established and maintained by another state or
42 agency or instrumentality thereof pursuant to section 529 of the internal
43 revenue code of 1986, as amended, for the purpose of paying the qualified

1 higher education expenses of a designated beneficiary; or (2) an achieving
2 a better life experience (ABLE) account established under the Kansas
3 ABLE savings program or a qualified ABLE program established and
4 maintained by another state or agency or instrumentality thereof pursuant
5 to section 529A of the internal revenue code of 1986, as amended, for the
6 purpose of saving private funds to support an individual with a disability.
7 The terms and phrases used in this paragraph shall have the meaning
8 respectively ascribed thereto by the provisions of K.S.A. 75-643 and 75-
9 652, and amendments thereto, and the provisions of such sections are
10 hereby incorporated by reference for all purposes thereof. For all taxable
11 years beginning after December 31, 2022, contributions made to a
12 qualified tuition program account or a qualified ABLE program account
13 pursuant to this paragraph on and after January 1 but prior to the date
14 required for filing a return pursuant to K.S.A. 79-3221, and amendments
15 thereto, of the successive taxable year may be elected by the taxpayer to
16 apply to the prior taxable year if such election is made at the time of filing
17 the return. No contribution shall be used as a modification pursuant to this
18 paragraph in more than one taxable year.

19 (xvi) For all taxable years beginning after December 31, 2004,
20 amounts received by taxpayers who are or were members of the armed
21 forces of the United States, including service in the Kansas army and air
22 national guard, as a recruitment, sign up or retention bonus received by
23 such taxpayer as an incentive to join, enlist or remain in the armed services
24 of the United States, including service in the Kansas army and air national
25 guard, and amounts received for repayment of educational or student loans
26 incurred by or obligated to such taxpayer and received by such taxpayer as
27 a result of such taxpayer's service in the armed forces of the United States,
28 including service in the Kansas army and air national guard.

29 (xvii) For all taxable years beginning after December 31, 2004,
30 amounts received by taxpayers who are eligible members of the Kansas
31 army and air national guard as a reimbursement pursuant to K.S.A. 48-
32 281, and amendments thereto, and amounts received for death benefits
33 pursuant to K.S.A. 48-282, and amendments thereto, to the extent that
34 such death benefits are included in federal adjusted gross income of the
35 taxpayer.

36 (xviii) (A) For all taxable years beginning after December 31, 2007,
37 and ending before January 1, 2024, amounts received as benefits under the
38 federal social security act which are included in federal adjusted gross
39 income of a taxpayer with federal adjusted gross income of \$75,000 or
40 less, whether such taxpayer's filing status is single, head of household,
41 married filing separate or married filing jointly.

42 (B) For all taxable years beginning after December 31, 2023, amounts
43 received as benefits under the federal social security act that are included

1 in federal adjusted gross income of a taxpayer.

2 (xix) Amounts received by retired employees of Washburn university
3 as retirement and pension benefits under the university's retirement plan.

4 (xx) For taxable years beginning after December 31, 2012, and
5 ending before January 1, 2017, the amount of any: (1) Net profit from
6 business as determined under the federal internal revenue code and
7 reported from schedule C and on line 12 of the taxpayer's form 1040
8 federal individual income tax return; (2) net income, not including
9 guaranteed payments as defined in section 707(c) of the federal internal
10 revenue code and as reported to the taxpayer from federal schedule K-1,
11 (form 1065-B), in box 9, code F or as reported to the taxpayer from federal
12 schedule K-1, (form 1065) in box 4, from rental real estate, royalties,
13 partnerships, S corporations, estates, trusts, residual interest in real estate
14 mortgage investment conduits and net farm rental as determined under the
15 federal internal revenue code and reported from schedule E and on line 17
16 of the taxpayer's form 1040 federal individual income tax return; and (3)
17 net farm profit as determined under the federal internal revenue code and
18 reported from schedule F and on line 18 of the taxpayer's form 1040
19 federal income tax return; all to the extent included in the taxpayer's
20 federal adjusted gross income. For purposes of this subsection, references
21 to the federal form 1040 and federal schedule C, schedule E, and schedule
22 F, shall be to such form and schedules as they existed for tax year 2011
23 and as revised thereafter by the internal revenue service.

24 (xxi) For all taxable years beginning after December 31, 2013,
25 amounts equal to the unreimbursed travel, lodging and medical
26 expenditures directly incurred by a taxpayer while living, or a dependent
27 of the taxpayer while living, for the donation of one or more human organs
28 of the taxpayer, or a dependent of the taxpayer, to another person for
29 human organ transplantation. The expenses may be claimed as a
30 subtraction modification provided for in this section to the extent the
31 expenses are not already subtracted from the taxpayer's federal adjusted
32 gross income. In no circumstances shall the subtraction modification
33 provided for in this section for any individual, or a dependent, exceed
34 \$5,000. As used in this section, "human organ" means all or part of a liver,
35 pancreas, kidney, intestine, lung or bone marrow. The provisions of this
36 paragraph shall take effect on the day the secretary of revenue certifies to
37 the director of the budget that the cost for the department of revenue of
38 modifications to the automated tax system for the purpose of
39 implementing this paragraph will not exceed \$20,000.

40 (xxii) For taxable years beginning after December 31, 2012, and
41 ending before January 1, 2017, the amount of net gain from the sale of: (1)
42 Cattle and horses, regardless of age, held by the taxpayer for draft,
43 breeding, dairy or sporting purposes, and held by such taxpayer for 24

1 months or more from the date of acquisition; and (2) other livestock,
2 regardless of age, held by the taxpayer for draft, breeding, dairy or
3 sporting purposes, and held by such taxpayer for 12 months or more from
4 the date of acquisition. The subtraction from federal adjusted gross income
5 shall be limited to the amount of the additions recognized under the
6 provisions of subsection (b)(xix) attributable to the business in which the
7 livestock sold had been used. As used in this paragraph, the term
8 "livestock" shall not include poultry.

9 (xxiii) For all taxable years beginning after December 31, 2012,
10 amounts received under either the Overland Park, Kansas police
11 department retirement plan or the Overland Park, Kansas fire department
12 retirement plan, both as established by the city of Overland Park, pursuant
13 to the city's home rule authority.

14 (xxiv) For taxable years beginning after December 31, 2013, and
15 ending before January 1, 2017, the net gain from the sale from Christmas
16 trees grown in Kansas and held by the taxpayer for six years or more.

17 (xxv) For all taxable years commencing after December 31, 2020,
18 100% of global intangible low-taxed income under section 951A of the
19 federal internal revenue code of 1986, before any deductions allowed
20 under section 250(a)(1)(B) of such code.

21 (xxvi) (1) For all taxable years commencing after December 31,
22 2020, the amount of any interest expense paid or accrued in the current
23 taxable year and disallowed as a deduction pursuant to section 163(j) of
24 the federal internal revenue code.

25 (2) For purposes of this paragraph, an interest expense is considered
26 paid or accrued only in the first taxable year the deduction would have
27 been allowable pursuant to section 163 of the federal internal revenue code
28 if the limitation pursuant to section 163(j) of the federal internal revenue
29 code did not exist.

30 (3) For tax year 2021, an amount equal to the sum of any interest
31 expenses paid or accrued in tax years 2018, 2019 and 2020 less the sum of
32 amounts allowed as a deduction pursuant to section 163 of the federal
33 internal revenue code in tax years 2018, 2019 and 2020.

34 (xxvii) For taxable years commencing after December 31, 2020, the
35 amount disallowed as a deduction pursuant to section 274 of the federal
36 internal revenue code of 1986 for meal expenditures shall be allowed to
37 the extent such expense was deductible for determining federal income tax
38 and was allowed and in effect on December 31, 2017.

39 (xxviii) For all taxable years beginning after December 31, 2021: (1)
40 The amount contributed to a first-time home buyer savings account
41 pursuant to K.S.A. 2024 Supp. 58-4903, and amendments thereto, in an
42 amount not to exceed \$3,000 for an individual or \$6,000 for a married
43 couple filing a joint return; or (2) amounts received as income earned from

1 assets in a first-time home buyer savings account. For all taxable years
2 beginning after December 31, 2022, contributions made to a first-time
3 home buyer savings account pursuant to subparagraph (1) on and after
4 January 1 but prior to the date required for filing a return pursuant to
5 K.S.A. 79-3221, and amendments thereto, of the successive taxable year
6 may be elected by the taxpayer to apply to the prior taxable year if such
7 election is made at the time of filing the return. No contribution shall be
8 used as a modification pursuant to subparagraph (1) in more than one
9 taxable year.

10 (xxix) For taxable years beginning after December 31, 2017, for an
11 individual taxpayer who carried back federal net operating losses arising in
12 a taxable year beginning after December 31, 2017, and before January 1,
13 2021, pursuant to section 172(b)(1) of the federal internal revenue code as
14 amended by the coronavirus aid, relief, and economic security act
15 (CARES act), the amount of such federal net operating loss carryback for
16 each applicable year. If the amount of such federal net operating loss
17 carryback exceeds the taxpayer's Kansas adjusted gross income for such
18 taxable year, the amount thereof that exceeds such Kansas adjusted gross
19 income may be carried forward as a subtraction modification in the
20 following taxable year or years until the total amount of such federal net
21 operating loss carryback has been deducted, except that no such unused
22 amount shall be carried forward for deduction as a subtraction
23 modification after the 20th taxable year following the taxable year of the
24 net operating loss. Notwithstanding any other provision of law to the
25 contrary, an extension of time shall be allowed for a claim for refund or
26 amended return for tax years 2018, 2019 or 2020 limited to the application
27 of the provisions of this paragraph and such claim for refund or amended
28 return must be filed on or before April 15, 2025.

29 (xxx) For all taxable years beginning after December 31, 2024: (1)
30 The amount contributed to an adoption savings account pursuant to K.S.A.
31 2024 Supp. 38-2503, and amendments thereto, in an amount not to exceed
32 \$6,000 for an individual or \$12,000 for a married couple filing a joint
33 return; or (2) amounts received as income earned from assets in an
34 adoption savings account.

35 (xxxi) *For taxable years commencing after December 31, 2024, the*
36 *amount of any net gain from the sale of specie, as defined in section 2, and*
37 *amendments thereto, except the sale of specie as a taxable distribution*
38 *from any retirement plan account that holds specie.*

39 (d) There shall be added to or subtracted from federal adjusted gross
40 income the taxpayer's share, as beneficiary of an estate or trust, of the
41 Kansas fiduciary adjustment determined under K.S.A. 79-32,135, and
42 amendments thereto.

43 (e) The amount of modifications required to be made under this

1 section by a partner which relates to items of income, gain, loss, deduction
2 or credit of a partnership shall be determined under K.S.A. 79-32,131, and
3 amendments thereto, to the extent that such items affect federal adjusted
4 gross income of the partner.

5 Sec. 8. K.S.A. 2024 Supp. 79-32,117 is hereby repealed.

6 Sec. 9. This act shall take effect and be in force from and after its
7 publication in the statute book.