

House Substitute for SENATE BILL No. 434

By Committee on Taxation

3-9

1 AN ACT concerning income taxation; establishing the veterans' valor
2 property tax relief act; providing an income tax credit or refund for
3 eligible individuals; discontinuing the sales tax exemption for
4 purchases made by certain qualifying military veterans; repealing
5 K.S.A. 2025 Supp. 79-3606h.
6

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

8 Section 1. (a) This act shall be known and may be cited as the
9 veterans' valor property tax relief act.

10 (b) There shall be allowed as a credit against the tax liability of a
11 taxpayer imposed under the Kansas income tax act for tax year 2026 and
12 all tax years thereafter in an amount equal to 50% of the amount of
13 property and ad valorem taxes actually and timely paid by a taxpayer if
14 such taxes were paid upon real or personal property used for residential
15 purposes of such taxpayer that is the taxpayer's principal place of residence
16 for the tax year in which the tax credit is claimed.

17 (c) The amount of any such credit for any such taxpayer shall not
18 exceed the amount of property and ad valorem taxes paid by such taxpayer
19 as specified in this section. A taxpayer shall not take the credit pursuant to
20 this section if such taxpayer has received a homestead property tax refund
21 pursuant to K.S.A. 79-4501 et seq., and amendments thereto, or a credit
22 pursuant to the selective assistance for effective senior relief pursuant to
23 K.S.A. 79-32,263, and amendments thereto, for such property for such tax
24 year.

25 (d) Subject to the provisions of this section, if the amount of such tax
26 credit exceeds the taxpayer's income tax liability for the taxable year, the
27 amount of such excess credit that exceeds such tax liability shall be
28 refunded to the taxpayer.

29 (e) The secretary of revenue shall adopt rules and regulations
30 regarding the filing of documents that support the amount of the credit
31 claimed pursuant to this section.

32 (f) The provisions of this act shall be a part of and supplemental to
33 the homestead property tax refund act, except that the income or appraised
34 valuation limits set forth in the homestead property tax refund act shall not
35 apply to this section.

36 (g) As used in this section, "taxpayer" means a resident of this state

1 who has been discharged from active service under an honorable discharge
2 or a general discharge under honorable conditions from any component of
3 the uniformed services of the United States and was determined by the
4 secretary of such component under 10 U.S.C. chapter 61 or 38 U.S.C.
5 chapter 11 to be rated with a 100% permanent and total service-connected
6 disability or a total disability rating based on unemployability pursuant to
7 38 C.F.R. §§ 4.16 and 4.17.

8 Sec. 2. K.S.A. 2025 Supp. 79-3606h is hereby repealed.

9 Sec. 3. This act shall take effect and be in force from and after its
10 publication in the statute book.