

SESSION OF 2026

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2469

As Recommended by House Committee on
Taxation

Brief*

HB 2469 would extend the income tax credit in current law for qualified railroad track maintenance expenditures to premium taxes, privilege fees, and privilege taxes and allow the credit to be transferred to any individual or entity, insurance company, or bank or trust company.

[*Note:* Under current law, the credit may only be transferred to certain eligible customers and vendors.]

The bill would also make technical and conforming amendments.

Background

The bill was introduced by the House Committee on Taxation at the request of a representative of Watco and Cimarron Valley Railroad.

House Committee on Taxation

In the House Committee hearing, **proponent** testimony was provided by representatives of Cimarron Valley Railroad, Kyle Railroad Company, and Watco. The proponents generally stated the bill would expand the number of taxpayers eligible to receive transferred credits for qualified track maintenance, allowing investments in short-line

*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 <https://klrd.gov/>

railroads to have a greater impact and making Kansas more competitive with surrounding states that have similar incentives.

Written-only proponent testimony was provided by representatives of Kansas Agribusiness Retailers Association, Kansas Cooperative Council, Kansas Grain and Feed Association, and Mickelson & Company.

No other testimony was provided.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, the Department of Revenue indicates the bill would have no impact on State General Fund revenues.

The Department of Insurance indicates insurance premium tax collections distributed to the State General Fund would be reduced if insurance companies claim the credit.

Any fiscal effect associated with the bill is not reflected in *The FY 2027 Governor's Budget Report*.

Taxation; tax credits; railroads; track maintenance