

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

The Committee on **Taxation** recommends **HB 2317** be amended on page 1, in line 36, by striking "taxable income" and inserting "net income before expensing or recapture";

On page 2, in line 26, after the period, by inserting "If the section 179 expense deduction election has been made for federal income tax purposes for any asset, the applicable factor to be utilized is in the IRC § 168 (b)(1) column of the table provided in subsection (f) for the applicable recovery period of the respective assets."; in line 28, by striking "taxable income" and inserting "net income before expensing or recapture"; in line 29, by striking all after "amount"; by striking all in line 30; in line 31, by striking all before the period and inserting "shall be treated as a Kansas net operating loss as provided in K.S.A. 79-32,143, and amendments thereto";

On page 3, in line 21, by striking "taxable income" and inserting "net income before expensing or recapture";

On page 4, after line 8, by inserting "\* Not Applicable.";

On page 7, in line 4, by striking "2011" and inserting "2012"; in line 5, by striking "determine" and inserting "estimate"; in line 6, after "of" by inserting "net"; in line 7, by striking "subsection (g) of section 2, section 3, section 4, K.S.A. 79-"; in line 8, by striking all before the period and inserting "any credit, deduction or program pursuant to the provisions of this act as compared to the expense deduction provided for in section 2, and amendments thereto"; in line 15, by striking "many" and inserting "money";

On page 8, by striking all in lines 29 through 43;

On page 9, by striking all in lines 1 through 8;

And by renumbering sections accordingly;

On page 11, in line 36, by striking all after the comma; in line 37, by striking all before "any";

On page 12, in line 9, by striking "and before January"; in line 10, by striking "1, 2017" and inserting "for a qualified business facility investment in Douglas, Johnson, Leavenworth, Sedgwick, Shawnee or Wyandotte counties"; in line 11, by striking "\$5,000,000" and inserting "\$1,000,000"; in line 12, by striking all after "filed"; by striking all in line 13; in line 14, by striking all before "prior" and inserting "a certificate of intent to invest in a qualified business facility pursuant to this subsection in Douglas, Johnson, Leavenworth, Sedgwick, Shawnee or Wyandotte county"; in line 15, after "2011," by inserting "and commences investments in a qualified business facility prior to December 31, 2013,";

On page 21, in line 24, by striking "and before"; in line 25 by striking "January 1, 2017,";

On page 47, after line 12, by inserting the following:

"New Sec. 13. Prior to January 1, 2017, the standing committee on assessment and taxation of the senate and the standing committee on taxation of the house of representatives shall review the income tax credit cost effectiveness report prepared by the department of revenue as required pursuant to K.S.A. 74-99b35, and amendments thereto, and other relevant information to determine whether the credits provided in K.S.A. 74-50,132 and subsection (e) of K.S.A. 79-32,160a, and amendments thereto, and the exemption provided in subsection (cc) of K.S.A. 79-3606, and amendments thereto, shall continue in effect or be repealed.";

Also, on page 47, in line 14, by striking "74-50,132,";

On page 1, in the title, in line 6, by striking "74-50,132,"; and the bill be passed as amended.

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Chairperson