

HOUSE BILL No. 2447

By Joint Committee on Energy and Environmental Policy

1-12

1 AN ACT concerning income tax credits; relating to plugging of abandoned
2 wells; amending K.S.A. 2011 Supp. 79-32,207 and repealing the
3 existing section.
4

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

6 Section 1. K.S.A. 2011 Supp. 79-32,207 is hereby amended to read as
7 follows: 79-32,207. (a) As used in this section, "abandoned oil or gas well"
8 means an abandoned well, as defined by K.S.A. 55-191, and amendments
9 thereto:

10 (1) The drilling of which was commenced before January 1, 1970;
11 and

12 (2) which is located on land owned *or leased* by the taxpayer
13 claiming the tax credit allowed by this section.

14 (b) For any taxable year commencing after December 31, ~~2000~~ 2011,
15 a credit shall be allowed against the tax imposed by the Kansas income tax
16 act on the Kansas taxable income of a taxpayer for expenditures made for
17 the purpose of plugging any abandoned oil or gas well in accordance with
18 rules and regulations of the state corporation commission applicable
19 thereto, in an amount equal to ~~50%~~ 100% of such expenditures made in the
20 taxable year.

21 (c) If the amount of the tax credit allowed by this section exceeds the
22 taxpayer's income tax liability for such taxable year, the amount thereof
23 which exceeds such tax liability may be carried over for deduction from
24 the taxpayer's income tax liability in the next succeeding taxable year or
25 years until the total amount of the tax credit has been deducted from tax
26 liability.

27 (d) The total amount of credits allowed taxpayers pursuant to this
28 section, including the amount of credits carried over under subsection (c),
29 shall not exceed \$250,000 for any one fiscal year.

30 (e) The secretary of revenue shall adopt such rules and regulations as
31 necessary to carry out the purposes of this section.

32 Sec. 2. K.S.A. 2011 Supp. 79-32,207 is hereby repealed.

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