

Richard  
Cram/Revenue /KDOR  
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To "Senator Karin Brownlee" <brownlee@ink.org>  
"Jason Long" <JasonL@rs.state.ks.us>, "Joan Wagnon"  
cc <Joan\_Wagnon@kdor.state.ks.us>, "Kathie Sparks"  
<KathieS@klrd.state.ks.us>, "Nick Jordan"  
bcc  
Subject Re: SB 342

Senator Brownlee:  
Provided below is a spreadsheet showing which NAICS codes currently qualify for HPIP, which are removed from eligibility for the investment tax credit in SB 342, and the rationale for removing them. We will also be providing a new fiscal estimate for your balloon amendment to SB 342, assuming it is modified so that the only employer withholding taxes that would be returned to an opportunity zone employer would be those for the qualifying opportunity zone new jobs--not for the employer's entire payroll, and we will endeavor to have that made available tomorrow morning

Sincerely,  
Richard Cram

Currently under K.S.A. 74-50,131 the following NAICS codes will qualify for the HPIP program:

NAICS	Subsector Title
NAICS 221	Utilities
NAICS 311-339	Manufacturing
NAICS 423-424	Wholesale Trade
NAICS 425	Electronic Markets & Agents & Brokers
NAICS 481-493	Transportation and Warehousing
NAICS 511-519	Information
NAICS 521-525	Finance and Insurance
NAICS 531-533	Real Estate and Rental and Leasing
NAICS 541	Professional, Scientific, and Technical Services
NAICS 551	Management of Companies and Enterprises
NAICS 561-562	Administrative and Support and Waste Management and Remediation Services
NAICS 611	Educational Services
NAICS 621-624	Health Care and Social Assistance
NAICS 711-713	Arts, Entertainment, and Recreation
NAICS 721	Accommodation
NAICS 811-813	Other Services
NAICS 814	Private Households
NAICS 921-928	Public Administration

In SB 342 the following NAICS have been removed and the reason why.

NAICS	Subsector Title	Reason
NAICS 711-713	Arts, Entertainment, and Recreation	assumed to be Retail Services
NAICS 721	Accommodation	assumed to be Retail Services
NAICS 811	Repair and Maintenance	assumed to be Retail Services
NAICS 814	Private Households	Private Households are not considered as an eligible business
NAICS 921	Executive, Legislative and Other	Government is not considered as an eligible business