

REPORTS OF STANDING COMMITTEES

MADAM PRESIDENT:

The Committee on **Assessment and Taxation** recommends **SB 147** be amended by adoption of the amendments recommended by Senate Committee on Assessment and Taxation as reported in the Journal of the Senate on February 7, 2017, and the bill, as printed with amendments by Senate Committee, be further amended on page 3, in line 15, by striking all after "(e)"; by striking all in line 16; in line 17, by striking "(f)";

On page 11, following line 42, by inserting:

"Sec. 3. K.S.A. 2016 Supp. 79-32,120 is hereby amended to read as follows: 79-32,120.
(a) (1) If federal taxable income of an individual is determined by itemizing deductions from such individual's federal adjusted gross income, such individual may elect to deduct the Kansas itemized deduction in lieu of the Kansas standard deduction.

(2) For the tax year commencing on January 1, 2013, the Kansas itemized deduction of an individual means 70% of the total amount of deductions from federal adjusted gross income, other than federal deductions for personal exemptions, as provided in the federal internal revenue code with the modifications specified in this section.

(3) For the tax year commencing on January 1, 2014, the Kansas itemized deduction of an individual means 65% of the total amount of deductions from federal adjusted gross income, other than federal deductions for personal exemptions, as provided in the federal internal revenue code with the modifications specified in this section.

(4) For the tax years commencing on and after January 1, 2015, and ending before January 1, 2017, the Kansas itemized deduction of an individual means the following deductions

from federal adjusted gross income, other than federal deductions for personal exemptions, as provided in the federal internal revenue code with the modifications specified in this section: (A) 100% of charitable contributions that qualify as charitable contributions allowable as deductions in section 170 of the federal internal revenue code; (B) 50% of the amount of qualified residence interest as provided in section 163(h) of the federal internal revenue code; and (C) 50% of the amount of taxes on real and personal property as provided in section 164(a) of the federal internal revenue code.

(5) For the tax years commencing on and after January 1, 2017, the Kansas itemized deduction of an individual means the following deductions from federal adjusted gross income, other than federal deductions for personal exemptions, as provided in the federal internal revenue code with the modifications specified in this section: (A) 100% of charitable contributions that qualify as charitable contributions allowable as deductions in section 170 of the federal internal revenue code; (B) 100% of expenses for medical care allowable as deductions in section 213 of the federal internal revenue code; (C) 50% of the amount of qualified residence interest as provided in section 163(h) of the federal internal revenue code; and (D) 50% of the amount of taxes on real and personal property as provided in section 164(a) of the federal internal revenue code.

(b) The total amount of deductions from federal adjusted gross income shall be reduced by the total amount of income taxes imposed by or paid to this state or any other taxing jurisdiction to the extent that the same are deducted in determining the federal itemized deductions and by the amount of all depreciation deductions claimed for any real or tangible personal property upon which the deduction allowed by K.S.A. 2016 Supp. 79-32,221, 79-32,227, 79-32,232, 79-32,237, 79-32,249, 79-32,250, 79-32,255 or 79-32,256, and amendments thereto, is or has been claimed.";

Also on page 11, in line 43, by striking "and" and inserting a comma; also in line 43, after "79-32,117" by inserting ", 79-32,120 and 79-32,269";

And by renumbering sections accordingly;

On page 1, in the title, in line 2, after the semicolon by inserting "itemized deductions;"; in line 3, by striking the first "and" and inserting a comma; also in line 3, after "79-32,117" by inserting "and 79-32,120"; also in line 3, after "sections" by inserting "; also repealing K.S.A. 2016 Supp. 79-32,269"; and the bill be reported without recommendation.

_____Chairperson