

**HOUSE BILL No. 2396**

By Committee on Taxation

3-16

1 AN ACT concerning income taxation; relating to credits and certain  
2 taxpayers domiciled in a rural opportunity zone; amending K.S.A. 2016  
3 Supp. 79-32,267 and repealing the existing section.  
4

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

6 Section 1. K.S.A. 2016 Supp. 79-32,267 is hereby amended to read as  
7 follows: 79-32,267. (a) For taxable years commencing after December 31,  
8 2011, and before January 1, 2022, there shall be allowed as a credit against  
9 the tax liability of a resident individual taxpayer an amount equal to the  
10 resident individual's income tax liability under the provisions of the  
11 Kansas income tax act, when the resident individual:

12 (1) (A) Establishes domicile in a rural opportunity zone on or after  
13 July 1, 2011, and prior to January 1, 2021 and was domiciled outside this  
14 state for five or more years immediately prior to establishing their  
15 domicile in a rural opportunity zone in this state;

16 ~~(2)~~(B) had Kansas source income less than \$10,000 in any one year  
17 for five or more years immediately prior to establishing their domicile in a  
18 rural opportunity zone in this state; and

19 ~~(3)~~(C) was domiciled in a rural opportunity zone during the entire  
20 taxable year for which such credit is claimed; or

21 (2) (A) works as a primary care physician or dentist;

22 (B) establishes domicile in a rural opportunity zone on or after July  
23 1, 2017, and prior to January 1, 2021;

24 (C) was domiciled in a metropolitan county as defined by K.S.A.  
25 2016 Supp. 74-50,211, and amendments thereto, immediately prior to  
26 establishing their domicile in a rural opportunity zone in this state; and

27 (D) was domiciled in a rural opportunity zone during the entire  
28 taxable year for which such credit is claimed.

29 (b) A resident individual may claim the credit authorized by this  
30 section for not more than five consecutive years following establishment  
31 of their domicile in a rural opportunity zone.

32 (c) The maximum amount of any refund under this section shall be  
33 equal to the amount withheld from the resident individual's wages or  
34 payments other than wages pursuant to K.S.A. 79-3294 et seq., and  
35 amendments thereto, or paid by the resident individual as estimated taxes  
36 pursuant to K.S.A. 79-32,101 et seq., and amendments thereto.

1 (d) No credit shall be allowed under this section if:

2 (1) The resident individual's income tax return on which the credit is  
3 claimed is not timely filed, including any extension; or

4 (2) the resident individual is delinquent in filing any return with, or  
5 paying any tax due to, the state of Kansas or any political subdivision  
6 thereof.

7 (e) This section shall be part of and supplemental to the Kansas  
8 income tax act.

9 Sec. 2. K.S.A. 2016 Supp. 79-32,267 is hereby repealed.

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