

January 26, 2021

The Honorable Adam Smith, Chairperson
House Committee on Taxation
Statehouse, Room 185A-N
Topeka, Kansas 66612

Dear Representative Smith:

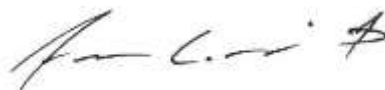
SUBJECT: Fiscal Note for HB 2106 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2106 is respectfully submitted to your committee.

Under current law, corporate tax returns are required to be filed on April 15th of each year. HB 2106 would allow corporate tax returns to be filed no later than one month after the federal filing deadline set by the federal Internal Revenue Service. Corporate taxpayers would not be charged any penalties or be required to file an extension if the state return is filed within 30 days after the new federal deadline set by the IRS. The bill would be effective starting in tax year 2020.

The Department of Revenue indicates passage of HB 2106 has the potential to decrease State General Fund revenue by extending the corporate tax return filing deadline and waiving certain penalties. The Department indicates that the reduction of State General Fund revenue is estimated to be negligible. The Department indicates that the bill would require \$600 from the State General Fund in FY 2022 to update forms and instructions. Any fiscal effect associated with HB 2106 is not reflected in *The FY 2022 Governor's Budget Report*.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Lynn Robinson, Department of Revenue