

**HOUSE BILL No. 2175**

By Committee on Taxation

1-25

1 AN ACT concerning income taxation; relating to rates; providing for  
2 future decreases contingent on the retention of a 7.5% state general  
3 fund ending balance; amending K.S.A. 2022 Supp. 79-32,110 and  
4 repealing the existing section.

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

7 New Section 1. (a) For fiscal year 2023, if the ending balance  
8 requirement set forth in K.S.A. 75-6702(b), and amendments thereto, is  
9 not suspended by further legislative enactment, then on July 1, 2023, the  
10 director of legislative research shall certify to the secretary of revenue and  
11 the director of the budget that such ending balance requirement was  
12 satisfied. Upon receipt of such certification, the secretary of revenue shall  
13 publish by October 1, 2023, the income tax rates set forth in this  
14 subsection for resident individuals to take effect on January 1, 2024. Such  
15 rates shall remain in effect for all tax years thereafter unless such rates are  
16 otherwise modified pursuant to subsection (b). The rates shall be as  
17 follows:

18 (1) *Married individuals filing joint returns.*

19 If the taxable income is: The tax is:  
20 Not over \$30,000.....3% of Kansas taxable income  
21 Over \$30,000.....\$900 plus 5.35% of excess over \$30,000  
22

23 (2) *All other individuals.*

24 If the taxable income is: The tax is:  
25 Not over \$15,000.....3% of Kansas taxable income  
26 Over \$15,000.....\$450 plus 5.35% of excess over \$15,000  
27

28 (b) (1) For fiscal year 2024, in the event that subsection (a) alters the  
29 income tax rates set forth in K.S.A. 79-32,110, and amendments thereto,  
30 and if the ending balance requirement set forth in K.S.A. 75-6702(b), and  
31 amendments thereto, is not suspended by further legislative enactment,  
32 then on July 1, 2024, the director of legislative research shall certify to the  
33 secretary of revenue and the director of the budget that such ending  
34 balance requirement was satisfied. Upon receipt of such certification, the  
35 secretary of revenue shall publish by October 1, 2024, the income tax rates  
36 set forth in this subsection for resident individuals to take effect on January

1 1, 2025. Such rates shall remain in effect for all tax years thereafter. The  
2 rates shall be as follows:

3 (A) *Married individuals filing joint returns.*

4 If the taxable income is: The tax is:  
5 Not over \$30,000.....2.9% of Kansas taxable income  
6 Over \$30,000.....\$870 plus 5% of excess over \$30,000

7  
8 (B) *All other individuals.*

9 If the taxable income is: The tax is:  
10 Not over \$15,000.....2.9% of Kansas taxable income  
11 Over \$15,000.....\$435 plus 5% of excess over \$15,000

12  
13 (2) For fiscal year 2024, in the event that subsection (a) did not alter  
14 the income tax rates set forth in K.S.A. 79-32,110, and amendments  
15 thereto, and if the ending balance requirement set forth in K.S.A. 75-  
16 6702(b), and amendments thereto, is not suspended by further legislative  
17 enactment, on July 1, 2024, the director of legislative research shall certify  
18 to the secretary of revenue and the director of the budget that such ending  
19 balance requirement was satisfied. Upon receipt of such certification, the  
20 secretary of revenue shall publish by October 1, 2024, the income tax rates  
21 set forth in this subsection for resident individuals to take effect on January  
22 1, 2025. Such rates shall remain in effect for all tax years thereafter. The  
23 rates shall be as follows:

24 (A) *Married individuals filing joint returns.*

25 If the taxable income is: The tax is:  
26 Not over \$30,000.....3% of Kansas taxable income  
27 Over \$30,000.....\$900 plus 5.35% of excess over \$30,000

28  
29 (B) *All other individuals.*

30 If the taxable income is: The tax is:  
31 Not over \$15,000.....3% of Kansas taxable income  
32 Over \$15,000.....\$450 plus 5.35% of excess over \$15,000

33  
34 Sec. 2. K.S.A. 2022 Supp. 79-32,110 is hereby amended to read as  
35 follows: 79-32,110. (a) *Resident individuals.* Except as otherwise provided  
36 by K.S.A. 79-3220(a), and amendments thereto, *and section 1, and*  
37 *amendments thereto*, a tax is hereby imposed upon the Kansas taxable  
38 income of every resident individual, which tax shall be computed in  
39 accordance with the following tax schedules *unless otherwise modified*  
40 *pursuant to section 1, and amendments thereto:*

41 (1) *Married individuals filing joint returns.*

42 ~~(A) For tax year 2012:~~  
43 ~~If the taxable income is: The tax is:~~

1 Not over \$30,000.....3.5% of Kansas taxable income  
 2 Over \$30,000 but not over \$60,000 \$1,050 plus 6.25% of excess  
 3 \_\_\_\_\_ over \$30,000  
 4 Over \$60,000.....\$2,925 plus 6.45% of excess  
 5 \_\_\_\_\_ over \$60,000

6 (B) For tax year 2013:  
 7 If the taxable income is: The tax is:  
 8 Not over \$30,000.....3.0% of Kansas taxable income  
 9 Over \$30,000.....\$900 plus 4.9% of excess over  
 10 \_\_\_\_\_ \$30,000

11 (C) For tax year 2014:  
 12 If the taxable income is: The tax is:  
 13 Not over \$30,000.....2.7% of Kansas taxable income  
 14 Over \$30,000.....\$810 plus 4.8% of excess over  
 15 \_\_\_\_\_ \$30,000

16 (D) For tax years 2015 and 2016:  
 17 If the taxable income is: The tax is:  
 18 Not over \$30,000.....2.7% of Kansas taxable income  
 19 Over \$30,000.....\$810 plus 4.6% of excess over  
 20 \_\_\_\_\_ \$30,000

21 (E) For tax year 2017:  
 22 If the taxable income is: The tax is:  
 23 Not over \$30,000.....2.9% of Kansas taxable income  
 24 Over \$30,000 but not over \$60,000 \$870 plus 4.9% of excess over  
 25 \_\_\_\_\_ \$30,000  
 26 Over \$60,000.....\$2,340 plus 5.2% of excess over  
 27 \_\_\_\_\_ \$60,000

28 (F) For tax year 2018, and all tax years thereafter:  
 29 If the taxable income is: The tax is:  
 30 Not over \$30,000.....3.1% of Kansas taxable income  
 31 Over \$30,000 but not over \$60,000 \$930 plus 5.25% of excess  
 32 \_\_\_\_\_ over \$30,000  
 33 Over \$60,000.....\$2,505 plus 5.7% of excess  
 34 \_\_\_\_\_ over \$60,000

35 (2) *All other individuals.*

36 (A) For tax year 2012:  
 37 If the taxable income is: The tax is:  
 38 Not over \$15,000.....3.5% of Kansas taxable income  
 39 Over \$15,000 but not over \$30,000 \$525 plus 6.25% of excess  
 40 \_\_\_\_\_ over \$15,000  
 41 Over \$30,000.....\$1,462.50 plus 6.45% of excess  
 42 \_\_\_\_\_ over \$30,000

43 (B) For tax year 2013:

1 If the taxable income is: The tax is:  
 2 Not over \$15,000.....3.0% of Kansas taxable income  
 3 Over \$15,000.....\$450 plus 4.9% of excess over  
 4 \_\_\_\_\_ \$15,000

5 (C) For tax year 2014:

6 If the taxable income is: The tax is:  
 7 Not over \$15,000.....2.7% of Kansas taxable income  
 8 Over \$15,000.....\$405 plus 4.8% of excess over  
 9 \_\_\_\_\_ \$15,000

10 (D) For tax years 2015 and 2016:

11 If the taxable income is: The tax is:  
 12 Not over \$15,000.....2.7% of Kansas taxable income  
 13 Over \$15,000.....\$405 plus 4.6% of excess over  
 14 \_\_\_\_\_ \$15,000

15 (E) For tax year 2017:

16 If the taxable income is: The tax is:  
 17 Not over \$15,000.....2.9% of Kansas taxable income  
 18 Over \$15,000 but not over \$30,000 \$435 plus 4.9% of excess over  
 19 \_\_\_\_\_ \$15,000  
 20 Over \$30,000.....\$1,170 plus 5.2% of excess over  
 21 \_\_\_\_\_ \$30,000

22 (F) For tax year 2018, and all tax years thereafter:

23 If the taxable income is: The tax is:  
 24 Not over \$15,000.....3.1% of Kansas taxable income  
 25 Over \$15,000 but not over \$30,000 \$465 plus 5.25% of excess  
 26 \_\_\_\_\_ over \$15,000  
 27 Over \$30,000.....\$1,252.50 plus 5.7% of excess  
 28 \_\_\_\_\_ over \$30,000

29 (b) *Nonresident individuals.* A tax is hereby imposed upon the Kansas  
 30 taxable income of every nonresident individual, which tax shall be an  
 31 amount equal to the tax computed under subsection (a) as if the  
 32 nonresident were a resident multiplied by the ratio of modified Kansas  
 33 source income to Kansas adjusted gross income.

34 (c) *Corporations.* A tax is hereby imposed upon the Kansas taxable  
 35 income of every corporation doing business within this state or deriving  
 36 income from sources within this state. Such tax shall consist of a normal  
 37 tax and a surtax and shall be computed as follows unless otherwise  
 38 modified pursuant to K.S.A. 2022 Supp. 74-50,321, and amendments  
 39 thereto:

40 (1) The normal tax shall be in an amount equal to 4% of the Kansas  
 41 taxable income of such corporation; and

42 (2) The surtax shall be in an amount equal to 3% of the Kansas  
 43 taxable income of such corporation in excess of \$50,000.

1 (d) *Fiduciaries*. A tax is hereby imposed upon the Kansas taxable  
2 income of estates and trusts at the rates provided in subsection (a)(2)  
3 hereof.

4 (e) Notwithstanding the provisions of subsections (a) and (b): ~~(1) For~~  
5 ~~tax years 2016 and 2017, married individuals filing joint returns with~~  
6 ~~taxable income of \$12,500 or less, and all other individuals with taxable~~  
7 ~~income of \$5,000 or less, shall have a tax liability of zero; and (2) for tax~~  
8 ~~year 2018, and all tax years thereafter, married individuals filing joint~~  
9 ~~returns with taxable income of \$5,000 or less, and all other individuals~~  
10 ~~with taxable income of \$2,500 or less, shall have a tax liability of zero.~~

11 ~~(f) No taxpayer shall be assessed penalties and interest arising from~~  
12 ~~the underpayment of taxes due to changes to the rates in subsection (a) that~~  
13 ~~became law on July 1, 2017, so long as such underpayment is rectified on~~  
14 ~~or before April 17, 2018.~~

15 Sec. 3. K.S.A. 2022 Supp. 79-32,110 is hereby repealed.

16 Sec. 4. This act shall take effect and be in force from and after its  
17 publication in the statute book.