## **HOUSE BILL No. 2410**

## By Committee on Taxation

2-13

AN ACT concerning income taxation; relating to taxable income; 1 2 increasing taxable income amounts by a cost-of-living adjustment in determining Kansas income tax; amending K.S.A. 2022 Supp. 79-3 4 32,110 and repealing the existing section. 5 6 Be it enacted by the Legislature of the State of Kansas: 7 Section 1. K.S.A. 2022 Supp. 79-32,110 is hereby amended to read as follows: 79-32,110. (a) Resident individuals. Except as otherwise provided 8 by K.S.A. 79-3220(a), and amendments thereto, a tax is hereby imposed 9 10 upon the Kansas taxable income of every resident individual, which tax 11 shall be computed in accordance with the following tax schedules unless 12 otherwise modified pursuant to subsection (f): 13 (1) Married individuals filing joint returns. 14 (A) For tax year 2012: If the taxable income is: The tax is: 15 Not over \$30,000......3.5% of Kansas taxable income 16 Over \$30,000 but not over \$60,000 \$1,050 plus 6.25% of excess 17 18 -over \$30,000 19 Over \$60,000.....\$2,925 plus 6.45% of excess 20 over \$60,000 21 (B) For tax year 2013: 22 If the taxable income is: The tax is: Not over \$30,000......3.0% of Kansas taxable income 23 24 Over \$30,000.....\$900 plus 4.9% of excess over 25 <del>\$30,000</del> 26 (C) For tax year 2014: 27 If the taxable income is: The tax is: Not over \$30.000......2.7% of Kansas taxable income 28 29 Over \$30,000.....\$810 plus 4.8% of excess over 30 \$30,000 31 (D) For tax years 2015 and 2016: If the taxable income is: The tax is: 32 Not over \$30,000......2.7% of Kansas taxable income 33 34 Over \$30,000.....\$810 plus 4.6% of excess over 35 <del>\$30.000</del> 36 (E) For tax year 2017:

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H the ta	ixable income is: I he tax is:
	er \$30,0002.9% of Kansas taxable income
Over \$	30,000 but not over \$60,000 \$870 plus 4.9% of excess over
	\$30,000
Over \$6	50,000\$2,340 plus 5.2% of excess over
	\$60,000
	For tax year 2018, and all tax years thereafter:
	exable income is: The tax is:
	er \$30,0003.1% of Kansas taxable income
Over \$3	30,000 but not over \$60,000\$930 plus 5.25% of excess
	over \$30,000
Over \$6	50,000\$2,505 plus 5.7% of excess
	over \$60,000
	All other individuals.
	For tax year 2012:
	exable income is: The tax is:
	er \$15,0003.5% of Kansas taxable income
	15,000 but not over \$30,000 \$525 plus 6.25% of excess
	over \$15,000
<del>Over \$.</del>	30,000\$1,462.50 plus 6.45% of excess
	over \$30,000
	For tax year 2013:
f the to	exable income is: The tax is:
Not ove	er \$15,0003.0% of Kansas taxable income
Over \$	15,000\$450 plus 4.9% of excess over
	<del>\$15,000</del>
	For tax year 2014:
	exable income is: The tax is:
Not ove	er \$15,0002.7% of Kansas taxable income
Over \$	15,000\$405 plus 4.8% of excess over
	\$15,000
	For tax years 2015 and 2016:
	exable income is: The tax is:
Not ove	er \$15,0002.7% of Kansas taxable income
Over \$	15,000\$405 plus 4.6% of excess over
	\$15,000
<del>(E)</del>	For tax year 2017:
	exable income is: The tax is:
	er \$15,0002.9% of Kansas taxable income
Over \$	15,000 but not over \$30,000 \$435 plus 4.9% of excess over
	<del>\$15,000</del>
Over \$	30,000\$1,170 plus 5.2% of excess over
	<del>\$30,000</del>

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- (b) Nonresident individuals. A tax is hereby imposed upon the Kansas taxable income of every nonresident individual, which tax shall be an amount equal to the tax computed under subsection (a) as if the nonresident were a resident multiplied by the ratio of modified Kansas source income to Kansas adjusted gross income.
- (c) *Corporations*. A tax is hereby imposed upon the Kansas taxable income of every corporation doing business within this state or deriving income from sources within this state. Such tax shall consist of a normal tax and a surtax and shall be computed as follows unless otherwise modified pursuant to K.S.A. 2022 Supp. 74-50,321, and amendments thereto:
- (1) The normal tax shall be in an amount equal to 4% of the Kansas taxable income of such corporation; and
- (2) The surtax shall be in an amount equal to 3% of the Kansas taxable income of such corporation in excess of \$50,000.
- (d) *Fiduciaries*. A tax is hereby imposed upon the Kansas taxable income of estates and trusts at the rates provided in subsection (a)(2) hereof.
- (e) Notwithstanding the provisions of subsections (a) and (b): (1) For tax years 2016 and 2017, married individuals filing joint returns with taxable income of \$12,500 or less, and all other individuals with taxable income of \$5,000 or less, shall have a tax liability of zero; and (2) for tax year 2018, and all tax years thereafter, married individuals filing joint returns with taxable income of \$5,000 or less, and all other individuals with taxable income of \$2,500 or less, shall have a tax liability of zero.
- (f) No taxpayer shall be assessed penalties and interest arising from the underpayment of taxes due to changes to the rates in subsection (a) that became law on July 1, 2017, so long as such underpayment is rectified on or before April 17, 2018In the case of tax year 2024, and all tax years thereafter, the taxable income amounts prescribed in the tax schedules set forth in subsections (a)(1) and (2) shall be increased by an amount equal to such amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) of the federal internal revenue code for the prior taxable year. The secretary of revenue shall publish the new tax schedules that take effect for the current taxable year on or before April 1.

Sec. 2. K.S.A. 2022 Supp. 79-32,110 is hereby repealed.

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