

## 2023 Kansas Statutes

**79-32,300. Credit against income, privilege or premium tax liability for employment of eligible individuals by targeted employment businesses; determination of credit amount; maximum annual amount of all credits.** For tax years 2022 through 2027, a credit shall be allowed against the income, privilege or premium tax liability imposed upon a taxpayer qualifying as a targeted employment business or a taxpayer outsourcing work to a targeted employment business pursuant to the Kansas income tax act, the privilege tax imposed upon any national banking association, state bank, trust company or savings and loan association pursuant to article 11 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, or the premiums tax and privilege fees imposed upon an insurance company pursuant to K.S.A. 40-252, and amendments thereto, for every hour that an eligible individual is employed in a calendar year in a targeted employment business and receives earned income as compensation. The credit shall only apply to wages for hours worked and not for any compensation for leave paid to the eligible individual. The credit shall be 50% of the wages paid to the eligible individual on an hourly basis, up to a maximum credit of \$7.50 per hour. For the purpose of calculating the tax credit, the wage rate used shall not be more than a reasonable or usual and customary market wage rate for a similar job. The credit shall not be refundable, shall not be carried forward and shall only be used once each taxable year against tax liability imposed by only one of the income, privilege or premium taxes. For any employed eligible individual who receives support or services from a community service provider, such eligible individual may choose to have support or services provided as needed at the individual's worksite to help the individual maintain employment. The maximum amount of all tax credits allowed in each tax year under the Kansas targeted employment act shall be \$5,000,000.

**History:** L. 2022, ch. 70, § 3; July 1.