

SENATE BILL No. 232

By Committee on Assessment and Taxation

AN ACT concerning taxation; relating to earned income tax credit; homestead property tax refunds; amending K.S.A. 2012 Supp. 79-32,205, 79-4508 and 79-4509 and repealing the existing sections.

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

Section 1. K.S.A. 2012 Supp. 79-32,205 is hereby amended to read as follows: 79-32,205. (a) There shall be allowed as a credit against the tax liability of a resident individual imposed under the Kansas income tax act an amount equal to 18% for tax years 2010 through 2012, and an amount equal to 9% for tax year 2013, and all tax years thereafter, of the amount of the earned income credit allowed against such taxpayer's federal income tax liability pursuant to section 32 of the federal internal revenue code for the taxable year in which such credit was claimed against the taxpayer's federal income tax liability.

(b) If the amount of the credit allowed by subsection (a) exceeds the taxpayer's income tax liability imposed under the Kansas income tax act, such excess amount shall be refunded to the taxpayer.

Sec. 2. K.S.A. 2012 Supp. 79-4508 is hereby amended to read as follows: 79-4508. (a) Commencing in the tax year beginning after December 31, 2012, the amount of any claim pursuant to this act shall be computed by deducting the amount computed under column (2) from the amount of claimant's property tax accrued.

(1)	(2)
Claimants household income	Deduction from property tax accrued
But not	
At least	more than
\$0	\$0
6,001	7,000 4%
7,001	16,000 4% plus 4% of every \$1,000, or fraction thereof, of income in excess of \$7,001
16,001	27,000 40% plus 5% of every \$1,000, or fraction thereof, of income in excess of \$16,001
27,001	27,600 95% using the following table:

<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24</p>	<p><i>If the amount on line 10 Form K-40H is between:</i></p> <p><i>\$0 and \$15,510</i></p> <p><i>\$15,511 and \$16,000</i></p> <p><i>\$16,001 and \$17,000</i></p> <p><i>\$17,001 and \$18,000</i></p> <p><i>\$18,001 and \$19,000</i></p> <p><i>\$19,001 and \$20,000</i></p> <p><i>\$20,001 and \$21,000</i></p> <p><i>\$21,001 and \$22,000</i></p> <p><i>\$22,001 and \$23,000</i></p> <p><i>\$23,001 and \$24,000</i></p> <p><i>\$24,001 and \$25,000</i></p> <p><i>\$25,001 and \$26,000</i></p> <p><i>\$26,001 and \$27,000</i></p> <p><i>\$27,001 and \$28,000</i></p> <p><i>\$28,001 and \$29,000</i></p> <p><i>\$29,001 and \$30,000</i></p> <p><i>\$30,001 and \$31,000</i></p> <p><i>\$31,001 and \$32,000</i></p> <p><i>\$32,001 and \$33,000</i></p> <p><i>\$33,001 and \$34,400</i></p> <p><i>\$34,401 and over</i></p>	<p><i>Enter this percent on line 14 of Form K-40H:</i></p> <p><i>100%</i></p> <p><i>95%</i></p> <p><i>90%</i></p> <p><i>85%</i></p> <p><i>80%</i></p> <p><i>75%</i></p> <p><i>70%</i></p> <p><i>65%</i></p> <p><i>60%</i></p> <p><i>55%</i></p> <p><i>50%</i></p> <p><i>45%</i></p> <p><i>40%</i></p> <p><i>35%</i></p> <p><i>30%</i></p> <p><i>25%</i></p> <p><i>20%</i></p> <p><i>15%</i></p> <p><i>10%</i></p> <p><i>5%</i></p> <p><i>0%</i></p>
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25 (b) The director of taxation shall prepare a table under which claims
 26 under this act shall be determined. The amount of claim for each bracket
 27 shall be computed only to the nearest \$1.

28 (c) The claimant may elect not to record the amount claimed on the
 29 claim. The claim allowable to persons making this election shall be
 30 computed by the department which shall notify the claimant by mail of the
 31 amount of the allowable claim.

32 (d) In the case of all tax years commencing after December 31, ~~2004~~
 33 ~~2012~~, the ~~upper limit~~ threshold ~~amount~~ amounts prescribed in this section,
 34 shall be increased by an amount equal to such threshold amount multiplied
 35 by the cost-of-living adjustment determined under section 1(f)(3) of the
 36 federal internal revenue code for the calendar year in which the taxable
 37 year commences.

38 Sec. 3. K.S.A. 2012 Supp. 79-4509 is hereby amended to read as
 39 follows: 79-4509. In the event property taxes accrued exceeds ~~\$700~~
 40 ~~\$1,200~~ for a household in any one year, the amount thereof shall, for
 41 purposes of this act, be deemed to have been ~~\$700~~ ~~\$1,200~~.

42 Sec. 4. K.S.A. 2012 Supp. 79-32,205, 79-4508 and 79-4509 are
 43 hereby repealed.

1 Sec. 5. This act shall take effect and be in force from and after its
2 publication in the statute book.