AN ACT concerning taxation; relating to income tax credits and sales tax exemptions; periodic review, reports to certain legislative committees.

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

Section 1. (a) On or before February 1 of each year, the commissioner of insurance shall make a presentation to the senate standing committee on financial institutions and insurance and the house standing committee on insurance reviewing the following tax credits according to the following schedule:

(1) In 2019:
   (A) The credit for salaries paid to Kansas employees authorized by K.S.A. 40-252d, and amendments thereto;
   (B) the credit for certain business investment expenses in qualified business facilities authorized by K.S.A. 2017 Supp. 40-252f, and amendments thereto; and
   (C) the insurance department service regulation fund credit authorized by K.S.A. 40-112, and amendments thereto;

(2) in 2020:
   (A) The health insurance association assessment credit authorized by K.S.A. 40-2121, and amendments thereto;
   (B) the small insurance business credit authorized by K.S.A. 40-252e, and amendments thereto; and
   (C) the property and casualty insurance guaranty association credit authorized by K.S.A. 40-2906a, and amendments thereto; and

(3) in 2021:
   (A) the fire fighters relief fund credit authorized by K.S.A. 40-252, and amendments thereto;
   (B) the fire marshal credit authorized by K.S.A. 40-252, and amendments thereto;
   (C) the life and health insurance guaranty association credit authorized by K.S.A. 40-3016, and amendments thereto; and
   (D) the disabled accessibility credit authorized by K.S.A. 70-2813, and amendments thereto.

(b) The presentation required by subsection (a) shall include the following information:

(1) A description of the credit, its history and its goals;
(2) an assessment of the credit's design and administration; and
(3) an estimate of the credit's economic and fiscal impact.
(c) A tax credit reviewed pursuant to subsection (a) shall be reviewed again not more than three years after the credit was most recently reviewed.
(d) On or before March 1 of each year, the senate standing committee on financial institutions and insurance and the house committee on insurance shall make a report to the legislature summarizing the committee's findings, conclusions and recommendations. A copy of such report shall be published on the Kansas insurance department's website described in K.S.A. 2017 Supp. 74-72,123, and amendments thereto.

Sec. 2. (a) On or before February 1 of each year, the secretary of commerce shall make a presentation to the senate standing committee on commerce and the house standing committee on commerce, labor and economic development reviewing the following tax credits and economic development programs according to the following schedule:

(1) In 2019:
   (A) The STAR bond financing act, K.S.A. 2017 Supp. 12-17,162 et seq., and amendments thereto;
   (B) the high performance incentive program, K.S.A. 74-50,131, and amendments thereto;
   (C) tax credits for investment in stock of Kansas venture capital, inc., authorized by K.S.A. 74-8206, and amendments thereto; and
   (D) tax credits for investment in a certified Kansas venture capital company authorized by K.S.A. 74-8304, and amendments thereto;

(2) in 2020:
   (A) The promoting employment across Kansas act, K.S.A. 2017 Supp. 74-50,210 et seq., and amendments thereto;
   (B) expenditures from the job creation fund created by K.S.A. 2017 Supp. 74-50,224, and amendments thereto;
   (C) tax credits for investment in the technology-based venture-capital fund authorized by K.S.A. 74-8316, and amendments thereto; and
   (D) tax credits for investment in a certified local seed capital pool authorized by K.S.A. 74-8404, and amendments thereto; and

(3) in 2021:
   (A) Student loans paid by a resident individual living in a rural opportunity zone, K.S.A. 2017 Supp. 74-50,222, and amendments thereto;
   (B) rural opportunity zone tax credits authorized by K.S.A. 2017 Supp. 79-32,267, and amendments thereto;
   (C) tax credits authorized by the Kansas angel investor tax credit act, K.S.A. 2017 Supp. 74-8131 et seq., and amendments thereto; and
   (D) tax credits authorized by the individual development account program act, K.S.A. 2017 Supp. 74-50,208, and amendments thereto.
(b) The presentation required by subsection (a) shall include the following information:

1. A description of the incentive, its history and its goals;
2. an assessment of the incentive's design and administration; and
3. an estimate of the incentive's economic and fiscal impact.

(c) A tax credit or economic development program reviewed pursuant to subsection (a) shall be reviewed again not more than three years after the credit was most recently reviewed.

(d) On or before March 1 of each year, the senate standing committee on commerce and the house committee on commerce, labor and economic development shall make a report to the legislature summarizing the committee's findings, conclusions and recommendations. A copy of such report shall be published on the Kansas department of commerce's website described in K.S.A. 2017 Supp. 74-72,123, and amendments thereto.

Sec. 3. (a) On or before February 1 of each year, the secretary of revenue shall make a presentation to the senate standing committee on assessment and taxation and the house standing committee on taxation reviewing the following tax credits and exemptions according to the following schedule:

1. In 2019:
   (A) The adoption credit authorized by K.S.A. 2017 Supp. 79-32,202a, and amendments thereto;
   (B) the earned income credit authorized by K.S.A. 2017 Supp. 79-32,205, and amendments thereto;
   (C) the research and development credit authorized by K.S.A. 2017 Supp. 79-32,182b, and amendments thereto; and
   (D) property tax exemptions;

2. In 2020:
   (A) The business and job development credit authorized by K.S.A. 79-32,153, and amendments thereto;
   (B) the historic preservation credit authorized by K.S.A. 2017 Supp. 79-32,211, and amendments thereto;
   (C) the film production credit authorized by K.S.A. 2017 Supp. 79-32,258, and amendments thereto; and
   (D) sales tax exemptions;

3. In 2021:
   (A) The community service contribution credit authorized by K.S.A. 79-32,197, and amendments thereto;
   (B) the environmental compliance credit authorized by K.S.A. 2017 Supp. 79-32,222, and amendments thereto;
   (C) the assistive technology contribution credit authorized by K.S.A. 65-7107, and amendments thereto; and
(D) the low-income student scholarship credit authorized by K.S.A. 2017 Supp. 72-4357, and amendments thereto; and
(4) in 2022:
(A) The tax credit on food purchases authorized by K.S.A. 2017 Supp. 79-32,271, and amendments thereto;
(B) the telecommunications property tax credit authorized by K.S.A. 2017 Supp. 79-32,210, and amendments thereto; and
(C) the higher education deferred maintenance credit authorized by K.S.A. 2017 Supp. 79-32,261, and amendments thereto.
(b) The presentation required by subsection (a) shall include the following information:
(1) A description of the incentive, its history and its goals;
(2) an assessment of the incentive's design and administration; and
(3) an estimate of the incentive's economic and fiscal impact.
(c) A tax credit reviewed pursuant to subsection (a) shall be reviewed again not more than four years after the credit was most recently reviewed.
(d) On or before March 1 of each year, the senate standing committee on assessment and taxation and the house committee on taxation shall make a report to the legislature summarizing the committee's findings, conclusions and recommendations. A copy of such report shall be published on the Kansas department of revenue's website described in K.S.A. 2017 Supp. 74-72,123, and amendments thereto.
Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.