

SENATE BILL No. 296

By Committee on Assessment and Taxation

1-18

1 AN ACT concerning income taxation; relating to credits; qualified tuition
2 and related expenses.

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

5 Section 1. (a) For all taxable years commencing after December 31,
6 2011, there shall be allowed as a credit against the tax liability of a resident
7 individual imposed under the Kansas income tax act an amount equal to
8 10% of the amount of the credit against such taxpayer's federal income tax
9 liability pursuant to section 25A of the federal internal revenue code for
10 the taxable year in which such credit was claimed against the taxpayer's
11 federal income tax liability, if the qualified tuition and related expenses
12 were paid to an eligible educational institution located in the state of
13 Kansas. Except as otherwise provided, as used in this section, terms and
14 phrases shall have the meanings as defined by the provisions of section
15 25A of the federal internal revenue code.

16 (b) The credit allowed by subsection (a) shall not exceed the amount
17 of the tax imposed by the Kansas income tax act, reduced by the sum of
18 any other credits allowable pursuant to law. If the amount of such tax
19 credit exceeds the taxpayer's income tax liability for such taxable year, the
20 amount thereof, which exceeds such tax liability, may be carried over for
21 deduction from the taxpayer's income tax liability in the next succeeding
22 taxable year or years until the total amount of the tax credits has been
23 deducted from tax liability.

24 (c) If, under the provisions of section 25A of the internal revenue
25 code and the accompanying regulations, the taxpayer is required to return
26 any part of the credit claimed under section 25A, then the taxpayer shall be
27 required to make a proportional return of such credit, equal to 10% of the
28 amount which was required to be returned under section 25A of the
29 internal revenue code and the accompanying regulations, as claimed under
30 the provisions of this section to the state of Kansas.

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

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