

**SENATE BILL No. 7**

By Senator Steffen

1-3

1 AN ACT concerning income taxation; relating to resident individuals;  
2 reducing tax rates for individuals domiciled in a rural equity decline  
3 county; amending K.S.A. 2022 Supp. 79-32,110 and repealing the  
4 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  
8 follows: 79-32,110. (a) *Resident Individuals*. Except as otherwise provided  
9 by subsection (g) and K.S.A. 79-3220(a), and amendments thereto, a tax is  
10 hereby imposed upon the Kansas taxable income of every resident  
11 individual, which tax shall be computed in accordance with the following  
12 tax schedules:

13 (1) *Married individuals filing joint returns.*

14 (A) For tax year 2012:

| 15 If the taxable income is:                | The tax is:                                      |
|---|--|
| 16 Not over \$30,000.....                   | 3.5% of Kansas taxable income                    |
| 17 Over \$30,000 but not over \$60,000..... | \$1,050 plus 6.25% of excess<br>18 over \$30,000 |
| 19 Over \$60,000.....                       | \$2,925 plus 6.45% of excess<br>20 over \$60,000 |

21 (B) For tax year 2013:

| 22 If the taxable income is: | The tax is:                                   |
|------------------------------|---|
| 23 Not over \$30,000.....    | 3.0% of Kansas taxable income                 |
| 24 Over \$30,000.....        | \$900 plus 4.9% of excess over<br>25 \$30,000 |

26 (C) For tax year 2014:

| 27 If the taxable income is: | The tax is:                                   |
|------------------------------|---|
| 28 Not over \$30,000.....    | 2.7% of Kansas taxable income                 |
| 29 Over \$30,000.....        | \$810 plus 4.8% of excess over<br>30 \$30,000 |

31 (D) For tax years 2015 and 2016:

| 32 If the taxable income is: | The tax is:                                   |
|------------------------------|---|
| 33 Not over \$30,000.....    | 2.7% of Kansas taxable income                 |
| 34 Over \$30,000.....        | \$810 plus 4.6% of excess over<br>35 \$30,000 |

36 (E) For tax year 2017:

|    |  |                                  |
|----|--|----------------------------------|
| 1  | If the taxable income is:                            | The tax is:                      |
| 2  | Not over \$30,000.....                               | 2.9% of Kansas taxable income    |
| 3  | Over \$30,000 but not over \$60,000.....             | \$870 plus 4.9% of excess over   |
| 4  |  | \$30,000                         |
| 5  | Over \$60,000.....                                   | \$2,340 plus 5.2% of excess over |
| 6  |  | \$60,000                         |
| 7  | (F) For tax year 2018, and all tax years thereafter: |                                  |
| 8  | If the taxable income is:                            | The tax is:                      |
| 9  | Not over \$30,000.....                               | 3.1% of Kansas taxable income    |
| 10 | Over \$30,000 but not over \$60,000.....             | \$930 plus 5.25% of excess       |
| 11 |  | over \$30,000                    |
| 12 | Over \$60,000.....                                   | \$2,505 plus 5.7% of excess      |
| 13 |  | over \$60,000                    |
| 14 | (2) <i>All other individuals.</i>                    |                                  |
| 15 | (A) For tax year 2012:                               |                                  |
| 16 | If the taxable income is:                            | The tax is:                      |
| 17 | Not over \$15,000.....                               | 3.5% of Kansas taxable income    |
| 18 | Over \$15,000 but not over \$30,000.....             | \$525 plus 6.25% of excess       |
| 19 |  | over \$15,000                    |
| 20 | Over \$30,000.....                                   | \$1,462.50 plus 6.45% of excess  |
| 21 |  | over \$30,000                    |
| 22 | (B) For tax year 2013:                               |                                  |
| 23 | If the taxable income is:                            | The tax is:                      |
| 24 | Not over \$15,000.....                               | 3.0% of Kansas taxable income    |
| 25 | Over \$15,000.....                                   | \$450 plus 4.9% of excess over   |
| 26 |  | \$15,000                         |
| 27 | (C) For tax year 2014:                               |                                  |
| 28 | If the taxable income is:                            | The tax is:                      |
| 29 | Not over \$15,000.....                               | 2.7% of Kansas taxable income    |
| 30 | Over \$15,000.....                                   | \$405 plus 4.8% of excess over   |
| 31 |  | \$15,000                         |
| 32 | (D) For tax years 2015 and 2016:                     |                                  |
| 33 | If the taxable income is:                            | The tax is:                      |
| 34 | Not over \$15,000.....                               | 2.7% of Kansas taxable income    |
| 35 | Over \$15,000.....                                   | \$405 plus 4.6% of excess over   |
| 36 |  | \$15,000                         |
| 37 | (E) For tax year 2017:                               |                                  |
| 38 | If the taxable income is:                            | The tax is:                      |
| 39 | Not over \$15,000.....                               | 2.9% of Kansas taxable income    |
| 40 | Over \$15,000 but not over \$30,000.....             | \$435 plus 4.9% of excess over   |
| 41 |  | \$15,000                         |
| 42 | Over \$30,000.....                                   | \$1,170 plus 5.2% of excess over |
| 43 |  | \$30,000                         |

|   |  |                                |
|---|--|--------------------------------|
| 1 | (F) For tax year 2018, and all tax years thereafter: |                                |
| 2 | If the taxable income is:                            | The tax is:                    |
| 3 | Not over \$15,000.....                               | 3.1% of Kansas taxable income  |
| 4 | Over \$15,000 but not over \$30,000.....             | \$465 plus 5.25% of excess     |
| 5 |  | over \$15,000                  |
| 6 | Over \$30,000.....                                   | \$1,252.50 plus 5.7% of excess |
| 7 |  | over \$30,000                  |

8 (b) *Nonresident Individuals.* A tax is hereby imposed upon the Kansas  
9 taxable income of every nonresident individual, which tax shall be an  
10 amount equal to the tax computed under subsection (a) as if the  
11 nonresident were a resident multiplied by the ratio of modified Kansas  
12 source income to Kansas adjusted gross income.

13 (c) *Corporations.* A tax is hereby imposed upon the Kansas taxable  
14 income of every corporation doing business within this state or deriving  
15 income from sources within this state. Such tax shall consist of a normal  
16 tax and a surtax and shall be computed as follows unless otherwise  
17 modified pursuant to K.S.A. 2022 Supp. 74-50,321, and amendments  
18 thereto:

19 (1) The normal tax shall be in an amount equal to 4% of the Kansas  
20 taxable income of such corporation; and

21 (2) The surtax shall be in an amount equal to 3% of the Kansas  
22 taxable income of such corporation in excess of \$50,000.

23 (d) *Fiduciaries.* A tax is hereby imposed upon the Kansas taxable  
24 income of estates and trusts at the rates provided in subsection (a)(2)  
25 hereof.

26 (e) Notwithstanding the provisions of subsections (a) ~~and~~, (b) *and* (g):  
27 (1) For tax years 2016 and 2017, married individuals filing joint returns  
28 with taxable income of \$12,500 or less, and all other individuals with  
29 taxable income of \$5,000 or less, shall have a tax liability of zero; and (2)  
30 for tax year 2018, and all tax years thereafter, married individuals filing  
31 joint returns with taxable income of \$5,000 or less, and all other  
32 individuals with taxable income of \$2,500 or less, shall have a tax liability  
33 of zero.

34 (f) No taxpayer shall be assessed penalties and interest arising from  
35 the underpayment of taxes due to changes to the rates in subsection (a) that  
36 became law on July 1, 2017, so long as such underpayment is rectified on  
37 or before April 17, 2018.

38 (g) (1) *For tax year 2024, and all tax years thereafter, the tax*  
39 *imposed upon the Kansas taxable income of every resident individual who*  
40 *was domiciled in a rural equity decline county during the entire tax year*  
41 *shall be computed in accordance with the following tax schedules instead*  
42 *of the tax schedules provided in subsection (a):*

43 (A) *Married individuals filing joint returns.*

|   |   |  |
|---|---|--|
| 1 | <i>If the taxable income is:</i>                | <i>The tax is:</i>                     |
| 2 | <i>Not over \$30,000.....</i>                   | <i>1.55% of Kansas taxable income</i>  |
| 3 | <i>Over \$30,000 but not over \$60,000.....</i> | <i>\$465 plus 2.625% of excess</i>     |
| 4 |   | <i>over \$30,000</i>                   |
| 5 | <i>Over \$60,000.....</i>                       | <i>\$1,252.50 plus 2.85% of excess</i> |
| 6 |   | <i>over \$60,000</i>                   |

7  
8     *(B) All other individuals.*

|    |   |                                       |
|----|---|---------------------------------------|
| 9  | <i>If the taxable income is:</i>                | <i>The tax is:</i>                    |
| 10 | <i>Not over \$15,000.....</i>                   | <i>1.55% of Kansas taxable income</i> |
| 11 | <i>Over \$15,000 but not over \$30,000.....</i> | <i>\$232.50 plus 2.625% of excess</i> |
| 12 |   | <i>over \$15,000</i>                  |
| 13 | <i>Over \$30,000.....</i>                       | <i>\$626.25 plus 2.85% of excess</i>  |
| 14 |   | <i>over \$30,000</i>                  |

15  
16     *(2) For purposes of this subsection, "rural equity decline county"*  
17 *means any county in this state with a population of 15,000 persons or less*  
18 *according to the most recent decennial census where the population of*  
19 *such county decreased between the dates of the two most recent decennial*  
20 *censuses. The decennial censuses taken and published by the United States*  
21 *bureau of the census shall be used for purposes of this subsection.*

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

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