



2013 What's New?



Applies to all Taxes Listed

INCOME TAX RATES. The Kansas income tax rates have been reduced for tax year 2013 to 3.0% for the bottom bracket and 4.9% for the top bracket. Beginning in tax year 2014, the bottom and top brackets will be reduced to 2.7% and 4.8% respectively. The tax rates will continue to drop through tax year 2018.

DUE DATE FOR FILING. Due date for filing 2013 income tax returns is April 15, 2014. Kansas follows the Internal Revenue Service (IRS) due date for tax income tax deadlines.

INTEREST RATE CHANGE. For calendar year 2014, interest will be assessed at 4% per annum (.333% per month or fraction thereof). Penalty for late payment of income tax remains at 1% per month or fraction thereof, capped at 24%.

Income Tax

FOOD SALES TAX PROGRAM. This program is partially restored after being repealed by legislation enacted in 2012. Eligible taxpayers may claim a *nonrefundable* tax credit in the amount of \$125 for every eligible exemption claimed on the taxpayer's federal income tax return. The credit must be applied to Kansas tax liability after all other credits.

NEW MODIFICATIONS. Individuals that report business or farm income on their federal income tax return may be able to modify that income on their Kansas income tax return. See instructions for Part A of Schedule S.

FILING STATUS. Under IRS Revenue Ruling 2013-17, individuals of the same sex who are validly married under the law of the state of celebration are required to file their 2013 federal income tax returns as *married filing separate* or *married filing joint*. However, Kansas law does not recognize marriage between individuals of the same sex; therefore, they may not use either filing status on Kansas income tax returns. Each taxpayer must file their Kansas return using the *single* or *head of household* filing status, whichever is applicable. Consult Notice 13-18 at ksrevenue.org for further instructions and a worksheet for use in preparing your Kansas income tax return.

STANDARD DEDUCTION. The standard deduction level for married taxpayers filing jointly and for heads-of-household filers changed to \$7,500 and \$5,500 respectively. This deduction remains at \$3,000 for single filers.

ITEMIZED DEDUCTIONS. Itemized deductions for tax year 2013 are reduced by 30% (except for charitable contributions, which is fully retained). To compute your Kansas itemized deductions, complete Part C of Schedule S.

CHILD AND DEPENDENT CARE CREDIT. A Kansas tax credit for child and dependent care expenses is no longer available.

RURAL OPPORTUNITY ZONE (ROZ) CREDIT EXPANDED. An additional 23 counties have been added into the ROZ program. This program offers individuals who relocate from outside Kansas to a ROZ county a tax credit. To claim this tax credit you must file your return electronically.

Fiduciary Tax

TAX CREDITS REPEALED. Beginning with tax year 2013, a number of tax credits have either expired or been repealed for individual income tax purposes, which may affect modifications to fiduciary income. Refer to Notices 12-04 and 12-05 on our web site for more information.

Corporate Tax

TAX CREDITS REPEALED. Beginning with tax year 2013, tax credits for contributions to a regional foundation (K-32), a historic site (K-75), or a community college for deferred maintenance (K-84) are no longer available. Additionally, no new tax credits will be allowed for contributions to a law enforcement training center (K-72), to a university for deferred maintenance (K-85), or toward film production (K-86); however, the law provides that unused credits may be carried forward as long as they meet statutory requirements.

NEW LINE ON FORMS K-120 AND K-121. These forms contain a new line for reporting a recapture amount of an expensing deduction. If the property for which an expense deduction was taken is subsequently sold during the applicable recovery period for such property, or is relocated outside the state of Kansas during such applicable recovery period, then the expense deduction determined shall be subject to recapture and treated as Kansas taxable income allocated to this state. See Schedule K-120EX.

Partnership / S Corporate Tax

EXEMPT INCOME. During the 2012 Legislative Session House Bill 2117 was passed and signed into law. Provisions of the bill added new subtraction modifications to K.S.A. 79-32,117. The overall effect of these new provisions is to exempt certain categories of income from Kansas income tax. Although the net result for many taxpayers is a zero tax liability, filing a tax return is still required in order to utilize the subtraction modifications.

Homestead Claim

HOMEOWNERS. A homestead claim (K-40H) is for **homeowners** who were residents of Kansas all of 2013. **This refund program is no longer available to renters.** As a resident the entire year, you are eligible if your total household income is \$32,900 or less and you: 1) were born before January 1, 1958, **or** 2) were blind or totally and permanently disabled all of 2013, **or** 3) have a dependent child who lived with you the entire year who was born before January 1, 2013, and was under the age of 18 all of 2013.

Privilege Tax

EXPIRED TAX CREDITS. The following tax credits have expired effective with the 2013 tax year: Regional Foundation Contribution (K-32), Historic Site Contribution (K-75), Technical and Community College Deferred Maintenance (K-84), and University Deferred Maintenance (K-85). Unused credits for contributions to a university on Form K-85 may continue to be carried forward until 2015. There are no such carry forward provisions for the other expired credits.

Taxpayer Assistance Information

ks.revenue.org

VITA / AARP-Tax Aide Assistance:

K-40, K-40H
K-40PT, K-120EX

Filing. If you need help completing your return, contact our Tax Assistance Center. Free assistance for eligible taxpayers is also available through volunteer programs such as VITA, offered by the IRS, and AARP-Tax Aide and TCE. These programs have sites throughout the state of Kansas. To find a site near you, call 1-800-829-1040 or visit a local IRS office. To find an AARP site, call 1-888-227-7669 or visit https://locator.aarp.org/vmis/sites/tax_aide_locator_adv.jsp and enter your zip code.

Tax Assistance Center
Docking State Office Building - 1st flr, Rm. 150
915 SW Harrison Street
Topeka, KS 66612-1588

Phone: (785) 368-8222
Fax: (785) 291-3614
Hours: 8:00 a.m. to 4:45 p.m.
(Monday – Friday)

Refunds. You can **check the status of your current year refund** from our web site or by phone. You will need the Social Security number(s) and the expected amount of your refund. When you have this information, go to ksrevenue.org and click on **Check your refund online** or call 1-800-894-0318 for automated refund information and follow the recorded instructions.

Forms. If you use paper, FILE the ORIGINAL forms from this booklet, not a copy; or a form from an *approved* software package. Visit our web site <http://ksrevenue.org/softwaredevelopers.html> for a list of *approved* software vendors.

Electronic File and Pay Options

webtax.org

K-40, K-40H,
K-40PT, K-120

WebFile is a **simple, secure, fast** and **FREE** Kansas filing option. All Kansas residents can use WebFile, whether or not they filed a 2012 Kansas income tax return. Nonresidents must have filed a 2012 Kansas income tax return to use WebFile for 2013.

K-41, K-120EX,
K-120S, K-130

IRS e-File is a **fast, accurate, and safe** way to file a federal and Kansas tax return. Ask your preparer about e-File or visit our web site for a list of authorized e-File providers and software products. **Join the 1.1 million taxpayers that used IRS e-File last year!**

Direct Payment allows you to “**file now, pay later**” by choosing the date you would like your bank account debited. No check to write or voucher to complete, and no postage for mailing to KDOR! See the instructions on our web site for more information.

Credit Card payments for your Kansas tax can be made **on-line** or **by phone** through third-party vendors. Services and fees vary, but all vendors accept major credit cards. Visit our web site for a list of vendors authorized to accept payments for Kansas.

Paper

Contact Information

Electronic

If you have paper forms needing approval or have questions regarding the specifications, form layout, or other technical issues they should be directed to:

Faye Streeter – Program Consultant

Phone: 785-296-2460

E-mail: faye.streeter@kdor.ks.gov

Developers: www.kdor.org/developers/subhome.html

Kansas Department of Revenue

915 SW Harrison Street, Rm. 351

Topeka, KS 66612-1588

Fax: 785-296-2736

ksrevenue.org



If you have electronic forms needing approval or have questions regarding the specifications, form layout* or questions regarding electronic media specifications (W-2, 1099)** and/or filing requirements and technical issues they should be directed to:

Hope Manderino*

Phone: 785-296-3539

E-mail: hope.manderino@kdor.ks.gov

Electronic: www.kdor.org/developers/elfhome.html

Andy Coultis – E-Services Analyst**

Phone: 785-296-8841

E-mail: andy.coultis@kdor.ks.gov

Electronic Media: www.ksrevenue.org/eservw2.htm

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