

2023 Kansas Statutes

79-32,190. Child day care assistance tax credit; amount. (a) Any taxpayer that pays for or provides child day care services, including the provision of the service of locating such services, to its employees or that provides facilities and necessary equipment for child day care services shall be allowed a credit against the privilege or income tax imposed by articles 11 and 32 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, as follows:

- (1) 30% of the total amount expended in the state during the taxable year by a taxpayer for child day care services purchased to provide care for the dependent children of the taxpayer's employees or for the provision of the service of locating such services for such children;
- (2) (A) in the taxable year in which a facility providing child day care services in the state for use primarily by the dependent children of the taxpayer's employees is established, 50% of the total amount expended during such year by a taxpayer in the establishment and operation of such facility;
(B) in the taxable years other than the taxable year to which paragraph (2)(A) applies, 30% of the amount equal to the total amount expended during the taxable year by a taxpayer for the operation of a facility described in paragraph (2)(A) less the amount of moneys received by the taxpayer for use of such facility for child day care services;
- (3) (A) in the taxable year in which a facility providing child day care services in the state for use primarily by the dependent children of the taxpayers' employees is established in conjunction with one or more other taxpayers, 50% of the total amount expended during such year by a taxpayer in the establishment and operation of such facility;
(B) in the taxable years other than the taxable year to which paragraph (3)(A) applies, 30% of the amount equal to the total amount expended during the taxable year by a taxpayer for the operation of a facility described in paragraph (3)(A) less the amount of moneys received by the taxpayer for use of such facility for child day care services; and
- (4) for all taxable years commencing after December 31, 2020, 50% of the amount equal to the total amount expended during the taxable year by a taxpayer as payments to an organization providing access to available child day care services for the taxpayer's employees.

(b) No credit shall be allowed under this section unless the child day care facility or provider is licensed pursuant to Kansas law.

(c) The credit allowed by subsection (a)(1), (2)(B) and (3)(B) shall not exceed \$30,000 for any taxpayer during any taxable year. The credit allowed by subsection (a)(2)(A), (3)(A) and (4) shall not exceed \$45,000 for any taxpayer during any taxable year. The amount of the credit which exceeds the tax liability for a taxable year shall be refunded to the taxpayer. If the taxpayer is a corporation having an election in effect under subchapter S of the federal internal revenue code or a partnership, the credit provided by this section shall be claimed by the shareholders of such corporation or the partners of such partnership in the same manner as such shareholders or partners account for their proportionate shares of the income or loss of the corporation or partnership.

(d) The aggregate amount of credits claimed under this act for any fiscal year shall not exceed \$3,000,000.

(e) For tax years 2013 through 2020, the income tax credit provided by this section shall only be available to taxpayers subject to the income tax on corporations imposed pursuant to K.S.A. 79-32,110(c), and amendments thereto, and shall be applied only against such taxpayer's corporate income tax liability.

History: L. 1989, ch. 285, § 1; L. 1992, ch. 124, § 1; L. 2012, ch. 135, § 21; L. 2022, ch. 85, § 23; July 1.