

## 2023 Kansas Statutes

**79-32,182b. Credit against tax for certain research and development activity expenditures.** (a) For all taxable years commencing after December 31, 2022, a credit shall be allowed against the tax imposed by the Kansas income tax act on the Kansas taxable income of a taxpayer for expenditures in research and development activities conducted within this state in an amount equal to 10% of the amount by which the amount expended for such activities in the taxable year of the taxpayer exceeds the taxpayer's average of the actual expenditures for such purposes made in such taxable year and the next preceding two taxable years.

(b) In any one taxable year, the amount of such credit allowable for deduction from the taxpayer's tax liability shall not exceed 25% of the total amount of such credit plus any applicable carry forward amount. The amount by which that portion of the credit allowed by subsections (a) and (b) to be claimed in any one taxable year exceeds the taxpayer's tax liability in such year may be carried forward until the total amount of the credit is used.

(c) As used in this section, the term "expenditures in research and development activities" means expenditures made for such purposes, other than expenditures of moneys made available to the taxpayer pursuant to federal or state law, which are treated as expenses allowable for deduction under the provisions of the federal internal revenue code of 1986, as amended, except that for taxable years commencing after December 31, 2013, expenditures in research and development activities shall not include any expenditures for the performance of any abortion, as defined in K.S.A. 65-6701, and amendments thereto.

(d) For tax year 2023 and all tax years thereafter, the income tax credit allowed pursuant to this section shall be transferable by a taxpayer without a current tax liability. The tax credit may be transferred to any person and be claimed by the transferee as a credit against the transferee's Kansas income tax liability in the tax year when it was transferred. The credit shall be claimed and may be carried forward by the transferee as provided and limited by subsection (b). No person shall be entitled to a refund for the transferred tax credit. Only the full credit may be transferred, and the credit may only be transferred one time. Documentation of any credit acquired by transfer shall be provided by the taxpayer or the transferee in the manner required by the secretary of revenue.

**History:** L. 2001, ch. 130, § 1; L. 2012, ch. 135, § 20; L. 2013, ch. 119, § 19; L. 2022, ch. 63, § 41; July 1.