


NACTP Annual Meeting Detroit, MI

Info for Upcoming Tax Year – 2019

To be filed in 2020





Faye Streeter, Program Consultant
Kansas Department of Revenue
900 SW Jackson Ave., 8th flr, Rm 851
Topeka, KS 66625-3506
p: 785-296-2460
email: faye.streeter@ks.gov

What's New

Due Date for 2019 is April 15, 2020

K-40

- Child and Dependent Care Tax Credit - Legislative 2017 SB-30
2019 return = 18.75%
2020 return = 25%
- Food Sales Tax Credit Line "D" amount \$30,615 is unchanged for 2019
- No change to the Income Tax Rate for tax year 2019
- Exemption Allowance will remain at \$2,250 for self and each applicable person claimed as a dependent

Sch S

Page 3, Part C

- Changed percentages from 50% to 75% on lines 1 - 4

Sch CR

Page 1

- Removed "Kansas" from initial name of Center Entrepreneurship Credit (K-31)
- Added new nonrefundable credit
 - Line 7 Purchases from Qualified Vendor Credit (K-44)
- Moved and changed line numbers from Adoption Credit (K-47) down

Page 2

- Changed line numbers from Storage and Blending Equipment Credit (K-82) down

K-40H

- Income limit for Line 10 changed to \$35,700

K-40PT

- Income limit on Line 10 changed to \$20,300

K-41

Pages 1 – 4 (Part I, II, and III)

- Required to be filed together for approval and testing purposes
- If not, the entire form set will not be approved

Page 2 – 4

- Added SDC code in upper right hand corner of each page

What's New, contd

K-120

Pages 1 – 6 (K-120, K-120AS, and K-121)

- Required to be filed together for approval and testing purposes
- If not, the entire form set will not be approved

Page 3 Part I

- Removed “Kansas” to name on Line 1
 - Will now be known as Center for Entrepreneurship (K-31)
- Added new credit
 - Line 9 Purchases from Qualified Vendor Credit (K-44)
- Moved and changed line numbers from Research and Development Credit (K-53) down

Page 3 – 6

- Added SDC code in upper right hand corner of each page

K-120S

Pages 1 – 4 (K-120S, K-120S AS, and K-121S)

- Required to be filed together for approval and testing purposes
- If not, the entire form set will not be approved

Page 2 – 4

- Added SDC code in upper right hand corner of each page

K-130

Pages 1 – 6 (K-130, K-130AS, and K-131)

- Required to be filed together for approval and testing purposes
- If not, the entire form set will not be approved

Page 3 Part III

- Added credit
 - New Line 1 - Center for Entrepreneurship Credit (K-31)
- Moved and changed line numbers from Business and Job Development Credit (K-34) down

Page 3 – 6

- Added SDC code in upper right hand corner of each page

What's New, contd

K-31

- This credit can now be claimed with the following form(s) K-40, K-41, K-120, and **K-130**
- Maximum amount of tax credits increases from \$50,000 to **\$100,000**

K-44

- **NEW** nonrefundable credit (2019 – 2023) HB 2044
 - Purchases from Qualified Vendor Credit
 - Available on the following form(s) K-40, K-41, and K-120

K-60

- Kansas Department of Commerce
 - Address change to K-60
 - 1000 SW Jackson St, Suite 100
Topeka KS 66612-1354

K-210, 220, and 230

Estimated Penalty Rate changes

- K-210 - lines 14 and 15 changed to 6%
- K-220 and K-230 - lines 12 and 13 changed to 6%
- Years will also increase by one year

Notices

- **Notice 19-01** HB 2035 - Tax Imposed on Cereal Malt Beverage by Retail Liquor Stores
- **Notice 19-02** Exempt sales of Gold or Silver coins; and Palladium, Platinum, Gold, or Silver Bullion
- **Notice 19-03** 2019 Motor Fuel Legislative Update
- **Notice 19-04** Sales Tax Requirements for Retailers Doing Business in Kansas

Any additional information on the 2019 Legislative Changes can be found at: <https://www.ksrevenue.org/taxprac.htm>

Non-Scannable Forms – Stand alones

- Any reproduced non-scannable form
 - Add SDC code
 - Placed in the upper hand corner

What's New, contd

Income Tax Itemized Deductions

Effective Tax Year 2019	Tax Year		
	2018	2019	2020
<u>Allowable Itemized Deductions</u>			
• Qualified Charitable Contributions <i>(as allowed in section 170 of the federal internal revenue code)</i>	100%	100%	100%
• Qualified Residence Interest <i>(as provided in section 163(h) of the federal internal revenue code)</i>	50%	75%	100%
• Expenses for Medical Care <i>(as allowable as deductions in section 213 of the federal internal revenue code)</i>	50%	75%	100%
• Taxes on Real and Personal Property	50%	75%	100%

Interest Rate

- **6% interest rate (.005 monthly) for calendar year 2020 on delinquent or unpaid taxes and overpayment of taxes**

Compensating Use Tax

Wayfair effect in Kansas

On June 21, 2018 the United States Supreme Court issued its decision in the case of *South Dakota v Wayfair Inc. et al.* In its decision the Court overturned the requirement established by prior rulings that a remote seller must have a physical presence in a state before that state can require the remote seller to collect that state's sales or use tax. This Notice is intended to provide guidance to remote sellers doing business in Kansas.

Remote Seller

A retailer who sells tangible personal property and services into a state where it does not have physical presence is commonly referred to as a "remote seller".

Requirement to Register, and to Collect and Remit Sales Tax

Kansas imposes its sales and use tax collection requirements to the fullest extent permitted by law. Specifically, as noted above, KS.A. 79-3702(h)(I)(F) provides:

(F) any retailer who has any other contact with this state that would allow this state to require the retailer to collect and remit tax under the provisions of the constitution and laws of the United States.

Kansas can, and does require online and other remote sellers with no physical presence in Kansas to collect and remit the applicable sales or use tax on sales delivered into Kansas. Accordingly, a remote seller must register with Kansas and obtain a sales or use tax account number.

What's New, contd

ADDRESS CHANGES, again

- These are for 2019 and going forward
- There will be 3 different PO Boxes and Zip Codes
- They will be broken into 3 categories

PO BOX	Zip Code
750260	66699-0260
3506	66625-3506
750680	66675-0680

Tax/Form Types

Individual Income, Corporate Income, Privilege, Small Business, Homestead, Fiduciary (K-40ES, K-41ES, K-120ES, K-130ES will use 66625-3506)

Sales, Use, Withholding, Estimated, Liquor Drink and Excise, Transient Guest, Correspondence

All other tax types

Release Dates

Week of August 21, 2019 – Vouchers*

K-40V K-41V K-120V K-130V K-40ES K-41ES K-120ES K-130ES

Week of September 16, 2019 – Returns*

K-40 Sch S Sch CR K-40H K-40PT K-41

Week of October 14, 2019 – Returns*

K-120 K-120EX K-120S K-130

*With very few changes some of the returns/vouchers, could be released earlier then the dates indicated above.

Any Questions??



Thank You!

