

**SENATE BILL No. 295**

By Committee on Commerce

1-22

1 AN ACT concerning income taxation; relating to credits; community  
2 services contributions; amending K.S.A. 2013 Supp. 79-32,195 and  
3 repealing the existing section.  
4

5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2013 Supp. 79-32,195 is hereby amended to read as  
7 follows: 79-32,195. As used in this act, the following words and phrases  
8 shall have the meanings ascribed to them herein: (a) "Business firm"  
9 means any business entity authorized to do business in the state of Kansas  
10 which is subject to the state income tax imposed by the provisions of the  
11 Kansas income tax act, any individual subject to the state income tax  
12 imposed by the provisions of the Kansas income tax act, any national  
13 banking association, state bank, trust company or savings and loan  
14 association paying an annual tax on its net income pursuant to article 11 of  
15 chapter 79 of the Kansas Statutes Annotated, and amendments thereto, or  
16 any insurance company paying the premium tax and privilege fees  
17 imposed pursuant to K.S.A. 40-252, and amendments thereto;

18 (b) "Community services" means:

19 (1) The conduct of activities which meet a demonstrated community  
20 need and which are designed to achieve improved educational and social  
21 services for Kansas children and their families, and which are coordinated  
22 with communities including, but not limited to, social and human services  
23 organizations that address the causes of poverty through programs and  
24 services that assist low income persons in the areas of employment, food,  
25 housing, emergency assistance and health care;

26 (2) crime prevention; ~~and~~

27 (3) health care services; *and*

28 (4) *youth apprenticeship and technical training.*

29 (c) "Crime prevention" means any nongovernmental activity which  
30 aids in the prevention of crime.

31 (d) *"Youth apprenticeship and technical training" means conduct of*  
32 *activities which are designed to improve the access to and quality of*  
33 *apprenticeship and technical training which support an emphasis on rural*  
34 *construction projects as well as the necessary equipment, facilities and*  
35 *supportive mentorship for youth apprenticeships and technical training.*

36 (e) "Community service organization" means any organization

1 performing community services in Kansas and which:

2 (1) Has obtained a ruling from the internal revenue service of the  
3 United States department of the treasury that such organization is exempt  
4 from income taxation under the provisions of section 501(c)(3) of the  
5 federal internal revenue code; or

6 (2) is incorporated in the state of Kansas or another state as a  
7 nonstock, nonprofit corporation; or

8 (3) has been designated as a community development corporation by  
9 the United States government under the provisions of title VII of the  
10 economic opportunity act of 1964; or

11 (4) is chartered by the United States congress.

12 ~~(e)~~ (f) "Contributions" shall mean and include the donation of cash,  
13 services or property other than used clothing in an amount or value of  
14 \$250 or more. Stocks and bonds contributed shall be valued at the stock  
15 market price on the date of transfer. Services contributed shall be valued at  
16 the standard billing rate for not-for-profit clients. Personal property items  
17 contributed shall be valued at the lesser of its fair market value or cost to  
18 the donor and may be inclusive of costs incurred in making the  
19 contribution, but shall not include sales tax. Contributions of real estate are  
20 allowable for credit only when title thereto is in fee simple absolute and is  
21 clear of any encumbrances. The amount of credit allowable shall be based  
22 upon the lesser of two current independent appraisals conducted by state  
23 licensed appraisers.

24 ~~(f)~~ (g) "Health care services" shall include, but not be limited to, the  
25 following: Services provided by local health departments, city, county or  
26 district hospitals, city or county nursing homes, or other residential  
27 institutions, preventive health care services offered by a community  
28 service organization including immunizations, prenatal care, the  
29 postponement of entry into nursing homes by home health care services,  
30 and community based services for persons with a disability, mental health  
31 services, indigent health care, physician or health care worker recruitment,  
32 health education, emergency medical services, services provided by rural  
33 health clinics, integration of health care services, home health services and  
34 services provided by rural health networks, except that for taxable years  
35 commencing after December 31, 2013, health care services shall not  
36 include any service involving the performance of any abortion, as defined  
37 in K.S.A. 65-6701, and amendments thereto.

38 ~~(g)~~ (h) "Rural community" means any city having a population of  
39 fewer than 15,000 located in a county that is not part of a standard  
40 metropolitan statistical area as defined by the United States department of  
41 commerce or its successor agency. However, any such city located in a  
42 county defined as a standard metropolitan statistical area shall be deemed a  
43 rural community if a substantial number of persons in such county derive

1 their income from agriculture and, in any county where there is only one  
2 city within the county which has a population of more than 15,000 and  
3 which classifies as a standard metropolitan statistical area, all other cities  
4 in that county having a population of less than 15,000 shall be deemed a  
5 rural community.

6 Sec. 2. K.S.A. 2013 Supp. 79-32,195 is hereby repealed.

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