

Kansas Business Taxpayers – Two Important Deadlines!!

Kansas Business and Job Development Credit

As of December 31, 2010, businesses in the Kansas metropolitan counties of **Douglas, Johnson, Leavenworth, Sedgwick, Shawnee, and Wyandotte will not be eligible for business and job development tax credits.** These state income tax credits have been provided in the past to qualified businesses for job creation and capital investment.

If a business located in the affected counties has commenced making a qualified business facility investment on or prior to May 17, 2010, that won't be placed in service until after December 31, 2010 but prior to January 1, 2013, a tax credit can be claimed for 2011 or 2012 as long as the taxpayer provides sufficient written proof to the Department of Revenue **by September 30, 2010.**

A taxpayer is considered to have commenced making a qualified business facility investment as of the date they have:

- Entered into a written contract for the construction or expansion of a qualified business facility; or
- Entered into a written contract for the financing of such project; or
- Provided other evidence satisfactory to the Department of Revenue that the investment commenced prior to May 17, 2010.

Because September 30 is quickly approaching, please contact us as soon as possible if your business is in this situation so that we can assist you in the notification process.

Kansas Tax Amnesty Program

The state of Kansas has authorized a tax amnesty program beginning September 1 through October 15, 2010 for tax liabilities due and unpaid for tax periods ending on or before December 31, 2008. If the tax liability is paid in full during the amnesty program period, all penalties and interest on unpaid taxes are waived. This amnesty applies to the following taxes:

Corporate income
Franchise
Compensating use
Withholding
Liquor drink
Estate
Mineral severance

Individual income
Retailers' sales
Homestead
Cigarette and tobacco
Liquor enforcement
Fiduciary income

Taxpayers eligible for this amnesty program include those who did not file a required tax return or report, understated the tax liability on a previously filed return, or have an outstanding balance.

Those taxpayers not eligible for this amnesty program include the following:

- On or after September 1, 2010, taxpayers who have an audit in progress, received notice of a commencement of an audit, or received notice of an assessment due to an audit;
- On or after September 1, 2010, the time to administratively appeal an issued assessment has not yet expired;
- On or after September 1, 2010, an assessment resulting from an audit, or any portion of such assessment, is pending in the administrative appeals process before the secretary or secretary's designee or the Kansas Court of Tax Appeals, or is pending in the judicial review process before any state or federal district or appellate court;
- Any matter that is the subject of an assessment, or any portion of an assessment, which has been affirmed by a reviewing state or federal district or appellate court;
- Any party to any criminal investigation or to any civil or criminal litigation that is pending in any court of the United States or Kansas for nonpayment, delinquency, or fraud in relation to any tax imposed by the state of Kansas.

In order to participate in the amnesty program, the taxpayer must properly file a tax return for each taxable period for which amnesty is requested, pay the entire balance of tax due, and submit an application to and receive approval from the Department of Revenue. The Kansas Tax Amnesty Application can be requested by calling 785.296.6121.

If a taxpayer participates in the amnesty program, they waive rights of appeal with respect to the tax liability. No tax payment received is eligible for refund or credit. No payment of penalties or interest made prior to September 1, 2010 is eligible for amnesty.

Please contact us with any questions on either of these programs.