



Kansas Business Job & Development Tax Credits

By David Belpedio, Partner, State and Local Tax
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The Kansas Business & Job Development tax credit will no longer be available after December 31, 2010 for businesses in the major Kansas counties including Johnson, Wyandotte, Douglas, Leavenworth, Shawnee and Sedgwick. However, businesses can still get the credit for tax years commencing after December 31, 2010 and prior to January 1, 2013 if they can:

Show evidence that they had the intent, or actually committed to, an investment in a project prior to May 17, 2010;

- Demonstrate the project is completed and placed in service in 2011 or 2012
- Show they would have otherwise qualified for the investment (number of jobs)
- Complete and submit by September 30, 2010, an application, with supporting documentation, to the Kansas Department of Revenue

Kansas is expanding the Promoting Employment Across Kansas (PEAK) incentive program in 2010, with further expansion in 2012. Launched in 2009, PEAK allows qualified companies, who move jobs to Kansas from out-of-state, to apply to retain 95% of the Kansas payroll withholding for 5 or more years. In order to qualify, the company has to fall within specific NAIC codes; pay 100% of the average (mean) county wage; pay 50% of health insurance premiums; and create new jobs over a 2 year period (5 new jobs created in non-metro communities, 10 new jobs created in metro communities).

For additional information about these changes, please contact your MarksNelson tax representative or David Belpedio at dbelpedio@marksnelsoncpa.com.