

What's New...

The following changes are effective for this tax year:

CORPORATE SURTAX RATE DECREASED.

For tax year 2009, the surtax rate is 3.05% (decreased from 3.1%) on income in excess of \$50,000. The rate decreases to 3% in all tax years after 2010.

STATUTE OF LIMITATIONS. Effective May 28, 2009, a return may be filed to claim a refund or amend a return to claim a refund three (3) years from the date the original return was due, including extensions allowed. The Statute of Limitations is tolled if a taxpayer fails to file an amended return within 180 days of issuance of IRS adjustment.

TAX CREDITS REDUCED. New legislation reduces most tax credits claimed in 2009 and 2010 to the lesser of 90% of the credit or 90% of the Kansas tax liability. The carry forward for most credits is also reduced by 10%. (Earned Income Credit, Child and Dependent Care Credit, credit for taxes paid to other states, and Historic Preservation Credit are not included in this reduction.) See specific credit schedules for detailed instructions.

HISTORICAL PRESERVATION CREDIT. For tax years 2009 and 2010, the total amount of credits allowed is \$3,750,000.

FILM PRODUCTION CREDIT. The Kansas Film Production tax credit is not available for tax years 2009 and 2010.

INTEREST RATE CHANGE. For calendar year 2009, interest will be assessed at 5% per annum (.417% per month or fraction thereof). Penalty for late payment of income tax remains at 1% per month or fraction thereof, capped at 24%.

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TIPS TO IMPROVE THE PROCESSING OF YOUR PAPER RETURN

Your Kansas return is *imaged* on our computers, enabling us to process your return faster and with fewer errors. For our system to work properly, follow these tips:

- **Do not staple or attach** the return, payment, or voucher together. Enclose them loosely in the envelope.
- Use only black or dark blue ink and write legibly. Send the original copy – **not a photocopy** – to KDOR (Kansas Department of Revenue).
- If you are sending a payment with your return, complete and enclose the voucher, Form K-120V.
- Your employer ID number (EIN) is part of your Kansas tax account number. To ensure proper credit to your account, include your EIN on your return.
- If you use a software package to produce your return, be sure it is approved by KDOR. Visit www.ksrevenue.org for a list of approved software vendors.
- If you are **reproducing your own forms**, contact KDOR for information on the approval process.
- Only certain pages of your federal return are required to be enclosed with your Kansas return. See *Copy of Federal Return*, page 5.