

# What's New...

The following changes are effective for the 2008 tax year:

- ◆ **ELECTRONIC FILING REQUIREMENT.** Any PAID preparer that prepares 50 or more Kansas individual income tax returns during any calendar year must file electronically at least 90% of those returns that are eligible for electronic filing. This requirement will be based on the number of individual income tax returns filed by the tax preparer in a calendar year, including resident, nonresident, and part-year resident returns, prepared by all employees at all of the tax preparer's locations. For additional information, visit our web site at: <http://www.ksrevenue.org/efilerequire.htm#1>
- ◆ **SOCIAL SECURITY BENEFITS.** All benefits received under the Social Security Act (including SSI benefits) that are subject to federal income tax are **no longer** subject to Kansas income tax when your Federal Adjusted Gross Income (line 1 of Form K-40) is **\$75,000** or less. See Schedule S instructions for line A7.
- ◆ **WASHBURN UNIVERSITY RETIREMENT BENEFITS.** Amounts received by retired employees of Washburn University during tax year 2008 and thereafter as retirement and pension benefits under the university's retirement plan are a subtraction modification. See Schedule S instructions for Line A12.
- ◆ **LONG-TERM CARE INSURANCE CONTRACTS.** The maximum amount of subtraction modification for long-term care insurance contract has increased to \$800 per contract, per taxpayer. For more information see Schedule S instructions for Line A14.
- ◆ **FOOD SALES TAX ALLOWANCES.** Qualifying income and refund amounts for the food sales tax have increased and are as follows. Additional qualifications for this refund are on page 14.
 

If your qualifying income is:	Your food sales refund is:
\$ 0 — \$15,150	\$80 per exemption
\$15,151 — \$30,300	\$39 per exemption
- ◆ **NEW CREDITS – HIGHER EDUCATION DEFERRED MAINTENANCE.** There are two (2) credits. One is a refundable credit equal to 60% of the amount contributed to a Kansas Community College or a Kansas Technical College. The other is a nonrefundable credit equal to 50% of the amount contributed to one of the Kansas Regent Universities or Washburn University. K-40 filers **must file electronically** (e-File or WebFile) **to claim these credits**. The credit amount will be computed in the electronic return preparation process. See page 3 for electronic filing instructions.
- ◆ **NEW CREDIT – DECLARED DISASTER CAPITAL INVESTMENT (BUSINESS FACILITIES).** Credit is 10% of the qualifying capital investment in a business facility located in one of the following cities (or within 1 mile thereof): Chanute, Coffeyville, Erie, Fredonia, Greensburg, Independence, Iola, Neodesha or Osawatomie. There is a limitation of \$100,000 in credits per taxpayer. See Schedule K-87.
- ◆ **INTEREST RATE CHANGE.** For calendar year 2009, interest will be assessed at 6% per annum (.5% 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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**BLACK-FOOTED FERRET** — After being gone from Kansas for nearly five decades, the Black-footed Ferret is back thanks to the dedication and sacrifices of many groups and individuals. Donate to the Chickadee Checkoff program on your Kansas Form K-40 to continue to help recovery programs for endangered species.