

# In This Booklet

General Information.....	3
K-40 Instructions.....	6
Form K-40.....	11
Schedule S .....	13
Schedule K-210.....	15
Schedule S Instructions .....	17
Tax Table.....	20
Tax Computation Worksheet.....	27
Taxpayer Assistance .....	Back cover
Electronic Options .....	Back cover

## Important Information

**CHILD AND DEPENDENT CARE CREDIT.** This credit is for child and dependent care expenses allowed and claimed on your individual federal income tax return. This credit may reduce your Kansas tax liability. You must be a Kansas resident and have a valid social security number for all individuals on your return. The credit allowed for tax year 2020 and all years thereafter is 25%. See Notice 17-07 and K-40 instructions for line 14.

**ITEMIZED DEDUCTIONS.** For tax year 2020 Kansas itemized deductions are calculated using 100% charitable contributions, 100% qualified medical expenses, 100% qualified residential interest, and 100% real and personal property taxes as claimed on your federal itemized deductions. See Part C of Schedule S. (You may only itemize your deductions on your Kansas return if you itemized deductions on your federal return).

### Kansas Compensating Use Tax.

**What is Compensating Use Tax?** Since 1937 Kansas has imposed a compensating use tax on goods purchased from outside Kansas and used, stored or consumed in Kansas. Its purpose is to protect Kansas retailers from unfair competition from out-of-state retailers who sell goods tax-free by applying a tax on these items equal to the Kansas rate. It also helps to assure fairness to Kansans who purchase the same items in Kansas and pay Kansas sales tax. Individuals and businesses buying items from retailers in other states may be subject to Kansas use tax on those purchases. This tax applies to the total cost of the merchandise, including postage, shipping, handling or transportation charges. It is the same as the combined state and local sales tax rate in effect where the buyer takes delivery

in Kansas. For individuals, it is usually the home. For businesses, it is where the items are used (office, shop, etc).

**Do I owe this tax?** Kansans that buy goods in other states or through catalogs, internet, mail-order companies, or from TV, magazine and newspaper ads must pay Kansas use tax on the purchases if the goods are used, stored or consumed in Kansas and the seller does not charge a sales tax rate equal to or greater than the Kansas retailers' sales tax rate in effect where the item is delivered or first used. **EXAMPLE:** An Anytown, KS resident goes to Missouri to purchase a laptop computer during a Missouri sales tax "Holiday." The cost of the computer is \$2,000. The Anytown resident will owe Kansas use tax of 8.95% (current Anytown rate) on the total charge of \$2,000 when that resident brings the laptop computer back to Anytown, KS. ( $\$2,000 \times 0.0895 = \$179.00$ ).

**How do I pay the Compensating Use Tax?** To pay Kansas use tax on your untaxed out-of-state purchases made during calendar year 2020, refer to the instructions for line 20 of Form K-40. You may use the chart or compute the tax due by applying the state and local sales tax rate in effect for your address to the total purchases subject to the tax. Don't know your sales tax rate? Go to [www.kssst.kdor.ks.gov/lookup.cfm](http://www.kssst.kdor.ks.gov/lookup.cfm) to look up the rate for your location.

Contact our Taxpayer Assistance Center (back cover) if you have questions about the Kansas Use Tax.



**Belted Kingfishers** are a very attractive robin-sized bird, typically blue-gray in color with a white collar, crest on the head and a large dagger like bill. Belted Kingfishers are generally observed in Kansas perched in trees along rivers and near lakes and reservoirs. It is from these perches the Belted Kingfisher hunts small fish, amphibians, and other aquatic prey. They plunge headlong into the water in pursuit of the next meal. Belted Kingfishers are dependent on clean water and abundant aquatic fauna. Belted Kingfishers and their habitat both benefit from Chickadee Checkoff.

Photo Credit: Danny Brown