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NOTICE 21-04

Disabled Access Credit

(JULY 1, 2021)

During the 2021 Legislative Session Senate Bill 66 was passed and signed into law. Section 4 of the Bill amends K.S.A. 79-32,176a, which provides an income tax credit for home renovations made for a disabled family member's access.

The amendments to K.S.A. 79-32,176a(a) provide that, effective for tax year 2021 and all tax years thereafter, the tax credit that may be claimed is equal to the lesser of either $15,000 or the applicable percentage of construction expenditures. It distinguishes between married individuals filing joint returns and all other individuals. It allows married individuals filing jointly with FAGI of $60,000 or less to be eligible for the full credit. The bill phases out the credit for married individuals fling jointly by increments of 10% for each $10,000 increase in FAGI, up to $150,000. All other individuals with FAGI of $40,000 or less are eligible for the full credit. The bill phases out the credit for all other individuals by increments of 10% for each $10,000 increase in FAGI, up to $130,000.

The amendments to K.S.A. 79-32,176a(b) provide that, effective for tax year 2021 and all tax years thereafter, if a taxpayer's liability is less than $3,750, then portions of the credit may be refundable in the first, second, and third years equal to one-fourth, one-third, and one-half of the credit, respectively.

K.S.A. 79-32,176a was also amended to include new subsection (c). This subsection provides that, starting in tax year 2022 and for all subsequent tax years, the maximum tax credit and the tax liability threshold shall be increased by a cost-of-living amount determined under Internal Revenue Code section 1(f)(3).

TAXPAYER ASSISTANCE

Additional copies of this notice, forms or publications are available from our web site, www.ksrevenue.org. If you have questions about this Notice, please contact:

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