

NOTICE 25-04

HISTORIC PRESERVATION CREDIT

(JULY 3, 2025)

During the 2025 Legislative Session, Senate Bill 227 was passed and signed into law. Section 1 of the Bill amends K.S.A. 2024 Supp. 79-32,211 to provide different credit percentages for the restoration and preservation of historic structures, based on the population of the area where the structure is located and the amount of the expenditures.

The amendments to K.S.A. 2024 Supp. 79-32,211(a) provide, for qualified plans placed into service on or after July 1, 2025, an income, privilege, or premium tax credit is allowed in an amount equal to:

- 25% of qualified expenditures incurred in the restoration and preservation of a qualified historic structure located in a city with a population of more than 50,000, pursuant to a qualified rehabilitation plan by a qualified taxpayer, with qualified expenditures equal to at least \$5,000 but less than \$50,000, or
- 40% of the qualified expenditures incurred in the restoration and preservation of a qualified historic structure located in a city with a population of more than 50,000, pursuant to a qualified rehabilitation plan by a qualified taxpayer, with qualified expenditures of \$50,000 or more or
- 40% of the qualified expenditures incurred in the restoration and preservation of a qualified historic structure located in a city, township, or unincorporated area with a population of 50,000 or less, pursuant to a qualified rehabilitation plan by a qualified taxpayer with qualified expenditures equal to \$5,000 or more, or
- 40% of the qualified expenditures incurred in the restoration and preservation of a qualified historic structure which is exempt from federal income tax pursuant to section 501(c)(3) of the federal internal revenue code and which is not income producing pursuant to a qualified rehabilitation plan by a qualified taxpayer if the total amount of expenditures equals \$5,000 or more.

New subsection 79-32,211(g) provides the amended provisions apply to qualified rehabilitation plans placed into service on or after July 1, 2025.

New subsection 79-32,211(h) provides the Department of Revenue may verify if the taxpayer claiming the credit has delinquent income, privilege, premium, sales, or compensating use taxes, or interest, additions, or penalties on such taxes, and reduce the amount of credit by such amounts that are owed to the state.

TAXPAYER ASSISTANCE

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