

Income/Franchise:

Kansas DOR Notice Addresses Corporate Income Tax Rate Reduction to 3.5% as of January 1, 2024

Notice 23-10: Change to Corporate Income Tax Rate, Kan. Dept. of Rev. (10/24/23). Following the Kansas Department of Revenue's (Department) recent announcement addressing the same [see *Notice of Corporate Income Tax Normal Rate Reduction*, Kan. Dept. of Rev. (8/31/23) and *State Tax Matters*, Issue 2023-36, for more details on this initial announcement], a new administrative notice explains that Kansas' normal corporate income tax rate will be reduced from 4% to 3.5% effective January 1, 2024. According to the notice, this rate reduction is made pursuant to legislation enacted in 2022 known as the "attracting powerful economic expansion" (APEX) act, which essentially provides that "when a qualified firm commences construction on a qualified business facility and this activity is certified by the Secretary of Commerce to the Secretary of Revenue the normal tax rate will be reduced." Please contact us with any questions.

URL: <https://www.ksrevenue.gov/taxnotices/notice23-10.pdf>

URL: <https://sos.ks.gov/publications/Register/Volume-42/PDF/Vol-42-No-35-August-31-2023.pdf>

URL: https://dhub.deloitte.com/Newsletters/Tax/2023/STM/230908_6.html

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