

## Income/Franchise:

### Kansas DOR Addresses Newly Reduced Tax Rates for Some Banks and Financial Institutions

*Notice 24-11: Privilege Tax Rate Changes*, Kan. Dept. of Rev. (7/1/24). The Kansas Department of Revenue issued a notice reflecting newly enacted legislation that lowers Kansas' privilege tax rates for financial institutions for tax years 2024 and thereafter by providing that the normal tax rate for banks is reduced from 2.25% to 1.94%, and the normal tax rate for trust companies and savings and loan associations is reduced from 2.25% to 1.93% [see S.B. 1, signed by gov. 6/20/24, and *State Tax Matters*, Issue 2024-26, for more details on this legislation]. The notice clarifies that under the new Kansas law, the applicable state surtaxes on these financial institutions remain the same – that is, the surtax on banks remains at 2.125%, while the surtax on trust companies and savings and loan associations remains at 2.25%. Please contact us with any questions.

**URL:** <https://www.ksrevenue.gov/taxnotices/notice24-11.pdf>

**URL:** [https://www.kslegislature.org/li\\_2024s/b2023\\_24/measures/sb1/](https://www.kslegislature.org/li_2024s/b2023_24/measures/sb1/)

**URL:** [https://dhub.deloitte.com/Newsletters/Tax/2024/STM/240628\\_6.html](https://dhub.deloitte.com/Newsletters/Tax/2024/STM/240628_6.html)

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