



RESEARCH AND DEVELOPMENT CREDIT APPLICATION

Please read the instructions carefully before completing this application. Applications must be complete and submitted to the Kansas Department of Revenue for approval before certification can be awarded. Be sure to include documentation as requested in the application instructions.

PART A –GENERAL INFORMATION

Name of Eligible Taxpayer		EIN/SSN	
Mailing Address	City	State	Zip Code
Name and Title of Company Contact		Daytime Phone Number	
Email Address of Company Contact			

PART B –TAXPAYER INFORMATION

If the ownership entity for the research and development expenditures is a pass-through entity or comprised of multiple owners, please fill out this section to identify each of the shareholders, partners, or members. Any Tax Credit Certificate will be issued to the pass-through entity, but any shareholders, partners, or members, who may be utilizing the credits must be identified to have access to their portion of the credit. The shareholder, partner, or member must claim the credit in the same manner as the shareholders, partners, or members account for their proportionate shares of the income or loss of the S-corporation, partnership, or limited liability company, or as the owners of the S-corporation, partnership, or limited liability company have mutually agree as provided in the bylaws or other executed agreement.

Attach additional pages as needed.

OWNER			
Name of Shareholder/Partner/Member	EIN/SSN	Percentage of Ownership	
Type of Entity <input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> LLC/LLP <input type="checkbox"/> Other _____			
Mailing Address	City	State	Zip Code
Daytime Phone Number	Email Address		

OWNER			
Name of Shareholder/Partner/Member	EIN/SSN	Percentage of Ownership	
Type of Entity <input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> LLC/LLP <input type="checkbox"/> Other _____			
Mailing Address	City	State	Zip Code
Daytime Phone Number	Email Address		



PART C –RESEARCH AND DEVELOPMENT EXPENDITURE INFORMATION FOR THIS YEAR'S EXPENDITURES

Research Expenditures:

1. Amount of research expenditures 1. \$ _____

Type of research expenditure _____

Description of research expenditure (Attach additional pages as needed) _____

Amount of this research expenditure \$ _____

Type of research expenditure _____

Description of research expenditure (Attach additional pages as needed) _____

Amount of this research expenditure \$ _____

Type of research expenditure _____

Description of research expenditure (Attach additional pages as needed) _____

Amount of this research expenditure \$ _____

Development Expenditures:

2. Amount of development expenditures 2. \$ _____

Type of development expenditure _____

Description of development expenditure (Attach additional pages as needed) _____

Amount of this development expenditure \$ _____

Type of development expenditure _____

Description of development expenditure (Attach additional pages as needed) _____

Amount of this development expenditure \$ _____

Type of development expenditure _____

Description of development expenditure (Attach additional pages as needed) _____

Amount of this development expenditure \$ _____



PART D –COMPUTATION OF MAXIMUM ALLOWABLE CREDIT FOR CURRENT YEAR’S EXPENDITURES

- 3. Research and development expenditures for the current year. (Add lines 1 and 2) 3.\$ _____
- 4. Research and development expenditures for the:
 - a. first preceding taxable year 4a.\$ _____
 - b. second preceding taxable year 4b.\$ _____
- 5. Total (Add lines 3, 4a and 4b)..... 5.\$ _____
- 6. Average expenditures over the past three years (divide line 5 by 3)..... 6.\$ _____
- 7. Expenditure amount eligible for credit (subtract line 6 from line 3; cannot be less than zero 7.\$ _____
- 8. Total Research and Development credit (multiply line 7 by 10 percent or .10) 8.\$ _____

SIGNATURE

Signature of Taxpayer Claiming Credit:

I declare under the penalties of perjury that all information in this application and any accompanying documentation is true and correct and that I am duly authorized to submit this information on behalf of the eligible taxpayer.

Signature

Date

For Office Use Only	
Date Received	_____
Date Approved	_____
Amount Approved	_____
Tax Credit Certificate Number	_____

GENERAL INSTRUCTIONS

A credit may be deducted from a taxpayer's Kansas income tax liability if the taxpayer had qualifying expenditures in research and development activities conducted within Kansas (K.S.A. 79- 32,182b). Qualifying expenditures are expenditures made for research and development purposes (other than expenditures of monies made available to the taxpayer pursuant to federal or state law), which are expenses allowable for deduction under the provisions of the federal Internal Revenue Code of 1986 and amendments thereto.

For tax years 2023 and after, the allowable credit is 10% of the amount by which the amount expended for the activities in the taxable year exceeds the taxpayer's average of the actual expenditures. This is for the activities made in the taxable year and the two immediately preceding taxable years.

The amount of credit allowable in any one taxable year is limited to 25% of the total amount of the credit plus any applicable carry forward. The amount of any remaining unused credit may be carried forward until the total amount of the credit is used.

For tax year 2023, and all tax years thereafter, new credits are available to individuals, partnerships, S corporations, limited liability companies, and other pass-through entities. In addition, new credits may be transferred to any person and be claimed by the transferee as a credit against the transferee's Kansas income tax liability in the tax year when it was transferred. The credit claimed by the transferee may be carried forward by the transferee, however, that carry forward credit shall be subject to limitations and requirements in place at the time the credit was earned.

A transferred credit is not refundable. Only the full credit received by the transferor may be transferred to a transferee, and the credit may only be transferred one time. Documentation of any credit acquired by transfer must be provided by the taxpayer or transferee in the manner established by the Department of Revenue.

Be sure to keep an itemized schedule of expenditures for amounts claimed on lines 1, 2, 4a and 4b. The Department reserves the right to request this information as necessary.

K.S.A. 74-50,227 requires the collection of certain tax incentive information for publication on a database managed by the Kansas Department of Commerce. Information collected will include the name and address, including county of the recipient receiving the benefits from the tax incentive program, the annual amount of incentive claimed, distributed or received, qualification criteria for the incentive, and required benchmarks for continued participation in the program and progress made towards the benchmarks

SPECIFIC LINE INSTRUCTIONS

Part A – Taxpayer Information and Part B – Owner Information

Complete these Parts by entering the requested information on the lines provided. In Part B, if there are more than two owners attach additional pages as needed to provide a separate entry for each shareholder, partner, member, or owner.

Part C - Research and Development Expenditure Information for This Year's Expenditures

Line 1. Enter the total amount of research expenses on Line 1. List and explain the research expenses on the lines provided below Line 1. On the lines to the left, for each research expenditure, summarize the type of expenditure (for example – laboratory equipment, supplies and materials, payroll, etc.), and enter the amount of the expenditures. On the lines to the right, briefly describe the expenditure. Attach additional pages as needed.

Line 2. Enter the total amount of development expenses on Line 2. List and explain the development expenses on the lines provided below Line 2. On the lines to the left, for each development expenditure, summarize the type of expenditure (for example – prototypes, supplies and materials, payroll, etc.), and enter the amount of the expenditures. On the lines to the right, briefly describe the expenditure. Attach additional pages as needed.

Part D - Computation of Maximum Allowable Credit Current Year's Expenditures

Line 3. Add lines 1 and 2 from Part C. This is the total amount of research and development expenditures for the current year.

Line 4. Enter the amount of research and development expenditures for the preceding two years. On line 4a enter expenditures for the first preceding taxable year. On line 4b enter expenditures for second preceding taxable year, if applicable. If none, enter -0-.

Line 5. Add lines 3, 4a, and 4b, and enter the total.

Line 6. Divide line 5 by 3 and enter the result. This is your average expenditure over the last three years.

Line 7. Subtract line 6 from line 3 and enter the result. The result cannot be less than -0-. This is the amount of expenditures that are eligible for credit.

Line 8. Multiply line 7 by 10 percent or .10 and enter the result. This is the maximum amount of credit allowed in the current tax year.

Note: When claimed on a taxpayer's tax return the amount of credit allowable in any one taxable year is limited to 25% of the total amount of the current tax year credit, plus any applicable carry forward. The amount of any remaining unused credit may be carried forward until the total amount of the credit is used

TAXPAYER ASSISTANCE

If you have questions about this application, please call the Taxpayer Assistance Center, Kansas Department of Revenue at 785-368-8222 or visit the Department's website at www.ksrevenue.gov.

Submit this completed form with any supporting documentation to:

Kansas Department of Revenue
Office of Policy and Research
109 SW 9th Street
P O Box 3506
Topeka, KS 66601-3506

You may also email this completed form to:
KDOR_Policy&Research@ks.gov.