

**KANSAS**  
**RESEARCH AND DEVELOPMENT CREDIT**

K-53  
Attach  
191218



For the taxable year beginning \_\_\_\_\_, 20\_\_\_\_; ending \_\_\_\_\_, 20\_\_\_\_

Name of taxpayer (as shown on return)		Social Security Number or Employer ID Number (EIN)
If partner, shareholder or member, enter name of partnership, S corporation, LLC or LLP		Employer ID Number (EIN)
Certificate Number	County of entity receiving credit	<input type="checkbox"/> Check here if this credit is the result of a transfer credit from an eligible taxpayer

**PART A – COMPUTATION OF CREDIT**

- 1. Total credit issued by the Department of Revenue (from Tax Credit Certificate) ..... 1. \_\_\_\_\_
- 2. Proportionate share percentage (see instructions)..... 2. \_\_\_\_\_
- 3. Your share of credit (multiply line 1 by line 2). ..... 3. \_\_\_\_\_
- 4. Maximum allowable credit in any one year (multiply line 3 by 25% or .25)..... 4. \_\_\_\_\_

**PART B – COMPUTATION OF ALLOWED CREDIT FOR THIS YEAR'S EXPENDITURES**

- 5. Total tax liability for this tax year after all credits other than this credit. .... 5. \_\_\_\_\_
- 6. Amount of credit allowable as a result of expenditures made this tax year (lesser of line 4 or line 5). Enter here and on the appropriate line of Form K-40, Form K-41, Form K-120 or Form K-120S..... 6. \_\_\_\_\_

**PART C – COMPUTATION OF CARRY FORWARD CREDIT**

- 7. Amount of carry forward allowed (subtract line 6 from line 3)..... 7. \_\_\_\_\_

**PART D – COMPUTATION OF ALLOWED CREDIT FOR PRIOR YEAR'S EXPENDITURES**

		(A) Year 1	(B) Year 2	(C) Year 3	(D) Year 4
8. Year end date of original K-53 for which a carry over is being claimed .....	8.				
9. Certificate Number, SSN or EIN. (see instructions).....	9.				
10. Amount of carry over from the original K-53 for the year. Enter the amount from line 7 for Year 1. For Years 2, 3 and 4 enter the amount from line 14 from the prior year .....	10.				
11. Year(s) credit was used .....	11.				
12. Total tax liability for this tax year after all other credits other than this credit.....	12.				

- 13. Credit used this tax year (lesser of line 4, line 10 or line 12)..... 13. \_\_\_\_\_
- 14. Amount of carry forward available to this return (subtract line 13 from line 10)..... 14. \_\_\_\_\_

# INSTRUCTIONS FOR SCHEDULE K-53

## 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 those claiming a new credit, a separate Form K-53 will need to be filed for each new credit and Parts A, B and C must be completed. For those claiming carry forward only, Part D must be completed.

For tax year 2023 and all tax years thereafter, 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 immediate 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 2013 through 2022, new credits shall be available to only corporations that are subject to the Kansas corporate income tax (i.e., C corporations). For tax year 2023 and after, new credits shall be available to all income tax taxpayers.

For tax year 2023 and forward, an application for research and development credit (Form K-204) must be completed. The application must be submitted to the Department of Revenue where it will be reviewed. Upon approval of the credit, the credit may be transferred by a taxpayer without a current tax liability 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. A transfer credit is not refundable. Only the full credit may be transferred to a transferee and the credit may only be transferred one time.

**Carry Forward of Unused Credits:** If this credit was earned prior to tax year 2013 and a carry forward credit remains available to a taxpayer, that taxpayer may continue to claim that credit. However, that carry forward credit shall be subject to limitations and requirements in place at the time the credit was earned.

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

Enter the taxpayer's name and Social Security number or federal Employer Identification Number (EIN) in the space provided. If the person claiming this credit is a partner or shareholder in a partnership, LLC, S Corporation, etc., enter the name and EIN of that entity.

### **PART A – COMPUTATION OF MAXIMUM ALLOWABLE CREDIT FOR THIS YEAR'S EXPENDITURES**

**LINE 1** – Enter the total credit issued by the Department of Revenue. This credit amount will be referenced on the Tax Credit Certificate issued by the Department. If this is a transfer credit, enter the total amount of credit issued by the Department of Revenue. This credit will be referenced on the Tax Credit Transfer Certificate issued by the Department.

**LINE 2** - Enter your proportionate share percentage.

**Pass-through entities that HAVE NOT elected to be taxed at the entity level**

Partners, shareholders or members, enter the percentage that represents your proportionate share in the partnership, S corporation, LLC or LLP.

**Pass-through entities that HAVE elected to be taxed at the entity level**

Electing pass-through entity, enter the percentage that represents the proportionate share of all "electing pass-through entity owners". Partners, shareholders or members that are NOT "electing pass-through entity owners" (i.e. other pass-through entities and C corporations), enter the percentage that represents your proportionate share in the partnership, S corporation, LLC or LLP.

**All other taxpayers, enter 100%.**

**LINE 3** – Multiply line 1 by line 2. This is your share of the credit.

**LINE 4** – Multiply line 3 by 25% or .25. This is the maximum credit allowed in any one tax year.

### **PART B - COMPUTATION OF ALLOWED CREDIT FOR THIS YEAR'S EXPENDITURES**

**LINE 5** – Enter the amount of your Kansas tax liability for this tax year after all credits other than this credit.

**LINE 6** – Enter the lesser of line 4 or line 5. This is the credit allowed for expenditures made during this tax year.

### **PART C - COMPUTATION OF CARRY FORWARD CREDIT**

**LINE 7** – Subtract line 6 from line 3 and enter the result. This amount cannot be less than zero. This is the amount of credit to be carried forward. Enter this amount of next year's Schedule K-53.

### **PART D - COMPUTATION OF ALLOWED CREDIT FOR PRIOR YEAR'S EXPENDITURES**

If additional columns are necessary, please enclose a separate schedule. You will need copies of your Schedule K-53 forms from prior years to complete this section. If this is the first year you are claiming a carry forward, only column A needs to be completed. If this is Year 2, 3 or 4, columns B, C and D information will be entered accordingly.

**LINE 8** – Enter the year end date of the original Schedule K-53 for which you are claiming a carry forward credit in columns A, B, C and D.

**LINE 9** – For tax years 2022 and prior, enter your EIN or SSN. For tax years 2023 and after, enter your Certificate Number. If you do not have a Certificate Number for credits earned in tax year 2023 and forward, you must complete and submit Form K-204 (Research and Development Tax Credit Application), to receive a Certificate Number allowing the credit to be claimed.

**LINE 10** - Enter the amount of carry forward from line 7 for year 1. For Year's 2, 3 and 4 enter the amount from line 14 from the prior year.

**LINE 11** - Enter the tax year the credit is being used.

**LINE 12** – Enter the total tax liability for this tax year after all other credits other than this credit.

**LINE 13** – Enter the lesser of line 4, line 10 or line 12.

**LINE 14** – Subtract line 13 from line 10. This is the amount of carry forward available to this return from each year shown on line 8.

## TAXPAYER ASSISTANCE

For assistance in completing this schedule contact the Kansas Department of Revenue:

Taxpayer Assistance Center  
Scott Office Building  
120 SE 10th Ave  
PO Box 750260  
Topeka KS 66699-0260

Phone: 785-368-8222

Fax: 785-291-3614

Additional copies of this credit schedule and other tax forms are available from our website at: [ksrevenue.gov](http://ksrevenue.gov)