

KANSAS DISABLED ACCESS CREDIT

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)

PART A – GENERAL INFORMATION

- Are alterations in compliance with the Americans with Disabilities Act of 1990? ☐ Yes ☐ No If no, you do not qualify for this credit.
- Address of property altered _____
Street Address City
- Date alterations were completed _____.

PART B – RESIDENCE (Carry forward credit only)

	Carry Fwd Year	Carry Fwd Year	Carry Fwd Year
4. Tax year.			
5. Carry forward from prior year's K-37 (line 18 from prior year).			
6. Tax liability for current year, after other nonrefundable credits.			
7. Credit used in this tax period (see instructions).			
8. Refundable portion of credit; enter amount from line 5 (see instructions).			
9. Refundable percentage.	33%	50%	100%
10. Multiply line 9 by line 5.			
11. Refund (subtract line 6 from line 10; cannot be less than zero).			
12. Carry forward (add lines 7 and 11 and subtract that sum from the amount on line 5; cannot be less than zero).			

PART C – BUSINESS (C Corporation and Privilege taxpayers only)

- Expenditures attributable to removal or equivalent facilitation of an existing architectural barrier. 13a. _____
- Have you made all or any portion of an existing facility accessible to individuals with a disability? 13b. ☐ Yes ☐ No
- Expenditures attributable to modification or adaptation of an existing facility in order to employ individuals with a disability. 14a. _____
- Have you modified/adapted an existing facility or piece of equipment to employ individuals with a disability? 14b. ☐ Yes ☐ No
- Total costs incurred. 15. _____
- 50% of expenditures. 16. _____

	Qualified Year	Carry Fwd Year	Carry Fwd Year	Carry Fwd Year	Carry Fwd Year
17. Tax Year.					
18. Credit (line 16 or \$10,000, whichever is less).					
19. Carry forward.					
20. Total credit available (add lines 18 and 19).					
21. Tax liability for this year.					
22. Amount of credit this year (lesser of lines 20 or 21).					
23. Carry forward (subtract line 22 from line 20).					

PART D – MODIFICATIONS TO FEDERAL TAXABLE INCOME

- Depreciation claimed on capitalized expenditures deducted on federal return. 24. _____
- Attributable expenses deducted on federal return. 25. _____
- Total (must be added back in each subsequent year the entity files a Kansas return; see instructions). 26. _____

INSTRUCTIONS FOR SCHEDULE K-37

GENERAL INSTRUCTIONS

The disabled access credit under K.S.A. 79-32,175 *et seq.* is available to taxpayers that incur certain expenditures to make their property accessible to the disabled. The property must be an existing building, facility, or equipment located in Kansas and used in a trade or business or held for the production of income OR the property must be a personal dwelling located in Kansas. The credit is taken in the taxable year in which the modifications are completed. To qualify, the specifications for making a building/facility accessible and usable by the disabled must be in conformity with Title I and Title III of the Americans with Disabilities Act of 1990, 42 USCA 12101 *et seq.* and 28 CFR Part 36 and 29 CFR 1630 *et seq.* As used here, *facility* does not include new construction or additions made to an existing facility, except a principal dwelling.

NEW! For tax year 2013, and all tax years thereafter, new credits shall be available to only corporations that are subject to the Kansas corporate income tax (i.e., C corporations) and any taxpayer subject to the privilege tax as measured by net income of financial institutions imposed pursuant to article 11 of Chapter 79 of the Kansas Statutes Annotated. New credits shall no longer be available to individuals, partnerships, S corporations, limited liability companies, and other pass-through entities. In addition, new credits shall no longer be available for any principle dwelling. 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.

Principal dwelling: K.S.A. 79-32,176 provides that the principal dwelling credit include a taxpayer's principal dwelling or the principal dwelling of a lineal ancestor or descendant, including the construction of a small barrier-free living unit attached to the principal dwelling.

Qualified Expenditures: Only expenditures that make an *existing* facility accessible to individuals with a disability by removing or facilitating an existing architectural barrier qualify for the credit. Expenditures to modify or adapt an *existing* facility or equipment in order to employ individuals with a disability are also eligible for the credit.

Construction expenditures incurred for making a principal dwelling accessible to individuals with a disability are eligible for the credit. Any part of any expense paid or incurred in connection with the new construction or substantial renovation of a business facility or the normal replacement of depreciable property does NOT qualify for this credit.

Required Documentation: You must enclose the following with Schedule K-37: 1) Detailed description of the alterations made, 2) copy of itemized invoice from contractor who completed the work or copy itemized invoice of materials used to complete job if completed by the taxpayer and 3) schedule showing computation of amounts entered on lines 13a or 14a.

SPECIFIC LINE INSTRUCTIONS

PART A — GENERAL INFORMATION

LINE 1 - Indicate if the alterations are in compliance with the Americans with Disabilities Act of 1990. If "No," you do not qualify for the credit.

Important—Enclose a detailed description of the modifications made with this form along with all applicable receipts. If the alterations were made to the residence of a lineal ancestor or descendant, include their name and relationship to you in this detailed description.

LINE 2 - Enter the address of the residence, facility or equipment on which you are claiming the credit.

LINE 3 - Enter the month, day and year the alterations were completed to make the dwelling, facility or equipment accessible.

PART B — RESIDENCE (Carry forward credit only)

LINE 4 - Enter the carry forward year.

LINE 5 - Enter amount of carry forward available from your prior year's Schedule K-37 in the appropriate column.

LINE 6 - Enter the amount of your Kansas income tax liability after deducting all tax credits other than this credit.

LINE 7 - Credit used in this tax year. Enter amount from line 5 or line 6, whichever is less. Also enter on the appropriate line of Form K-40.

LINE 8 - Refundable portion of credit. Enter amount from line 5. **Important**—If line 6 (tax liability for current year) of this schedule is \$2,250, enter zero on line 8.

LINE 9 - This is the percentage of the credit eligible for refund.

LINE 10 - Multiply line 8 by line 9 only if your tax liability reported on line 6 is less than \$2,250.

LINE 11 - Subtract line 6 from line 10 (cannot be less than zero). Enter this amount on the appropriate line of your return.

LINE 12 - Subtract the sum of lines 7 and 11 from line 5 (cannot be less than zero). This amount will be entered on next year's Schedule K-37 as a carry forward from a prior year.

PART C — BUSINESS (C Corporation and Privilege taxpayers only)

Costs incurred in making a business facility accessible to individuals with a disability or in making equipment usable for the employment of individuals with a disability are used to determine your disabled access credit. In most instances, the expenditures would be capitalized and depreciated over the life of the improvement. However, any expenses that were not capitalized but deducted as current expenses are also recognized in computing your disabled access credit.

LINE 13a - Enter the capitalized expenditures and/or business expense deductions that were specifically attributable to the removal or equivalent facilitation of an existing architectural barrier for the purpose of making a facility accessible to individuals with a disability.

LINE 13b - Indicate whether you have made all or any portion of an existing facility accessible to individuals with a disability.

LINE 14a - Enter the capitalized expenditures and/or business expense deductions that were specifically attributable to the modification or adaptation of a facility or equipment for the purpose of employing individuals with a disability.

LINE 14b - Indicate whether you have modified or adapted an existing facility or piece of equipment to employ individuals with a disability.

LINE 15 - For income taxpayers, add lines 13a and 14a and enter total. For privilege tax purposes, enter amount from line 13a on line 15. (The privilege tax credit does not include the provision for adaptation or modification of equipment for employment purposes.)

LINE 16 - Multiply line 15 by 50%.

LINE 17 - Enter the tax year in which the expenditures were made.

LINE 18 - Enter amount from line 16 or \$10,000, whichever is less.

LINE 19 - Enter amount of carry forward available from a prior year's Schedule K-37. Enclose a copy of the prior year's K-37.

LINE 20 - Add lines 18 and 19 and enter result. This is the total credit available this tax year.

LINE 21 - Enter amount of your Kansas tax liability for the current tax year after deducting all credits other than the Kansas disabled access credit.

LINE 22 - Enter amount from line 20 or line 21, whichever is less. This is the credit allowable for investments made this tax year. Enter this amount on the appropriate line of your return for this tax credit.

LINE 23 - Subtract line 22 from line 20 (cannot be less than zero). Enter this amount on the appropriate line of next year's Schedule K-37 as the amount of excess credit to be carried forward.

PART D — MODIFICATIONS TO FEDERAL TAXABLE INCOME

LINE 24 - Enter the amount of depreciation claimed as a current business expense deduction on your federal income tax return for the capitalized expenditures entered on lines 13a and 14a. Enclose a schedule showing your computations.

LINE 25 - Enter the amount of business expense deduction claimed on your federal income tax return for the capitalized expenditures entered on lines 13a and 14a.

LINE 26 - Add lines 24 and 25. This is the total depreciation and expense claimed on your federal tax return. Enter this amount on the applicable line on your Kansas return as *Other Additions* to federal taxable income.

TAXPAYER ASSISTANCE

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

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