

K-47

(Rev. 9/13)

KANSAS ADOPTION CREDIT

For the taxable year beginning _____, 20____; ending _____, 20____

Name of taxpayer (as shown on return)	Social Security Number
Name of child adopted (first and last name)	Social Security Number of child

1. Enter the amount from line 8 of your prior year's Schedule 47. 1. _____
 2. Enter your Kansas tax liability for this tax year after all credits except this credit. 2. _____
 3. Adoption credit for this tax year (enter the lesser of lines 1 or 2 here, and on the appropriate line of Form K-40). 3. _____
- If line 3 is less than 1, complete line 4.**
4. Subtract line 3 from line 1. This is your carry forward credit available for next tax year. This amount will be entered on line 1 of next year's Schedule K-47. 4. _____

GENERAL INFORMATION

K.S.A. 79-32,202 provides adoption tax credits for taxable years beginning after December 31, 2005. These credits are available only to Kansas residents and to part-year residents of Kansas who file as residents.

NEW! The adoption tax credit has been repealed, effective with tax year 2013. It is only applicable to taxpayers that have credits to carry forward.

General Adoption Credit: The basic tax credit for Kansas residents adopting a child (or children) is 25% of the adoption credit allowed on your federal income tax return. An additional 25% credit (total of 50%) is available to Kansas residents if the adopted child was a Kansas resident prior to adoption. Another 25% credit (total of 75%) is available to Kansas residents if the adopted child was both a Kansas resident prior to adoption AND a "child with special needs."

A child with special needs as defined by 26 U.S.C. 23(d)(3)(A) means a State has determined that the child cannot or should not be returned to the home of his parents, (B) such State has determined that there exists with respect to the child a specific factor or condition (i.e., ethnic background, age, or membership in a minority or sibling group, or the presence of factors such as medical conditions or physical, mental, or emotional handicaps) because of which it is reasonable to conclude that such child cannot be placed with adoptive parents without providing adoption assistance, and (C) such child is a citizen or resident of the United States [as defined in section 217(h)(3)].

Special Needs/SRS Custody Adoption Credit: For residents adopting a child with special needs or a child in the custody of the Kansas Department for Children and Families (DCF), a credit of \$1,500 is allowed in addition to those described in the *General Adoption Credits* section. This credit is available even if you have been reimbursed all or part of the qualifying adoption expenses.

Adopting More Than One Child: If you completed federal Form 8839, Qualified Adoption Expenses, for two or more adopted children that qualify for different Kansas adoption credits, then all children must be listed on Form 8839 (PARTS I, II, and III) Worksheet and it must contain applicable information for each adopted child. This worksheet will be required for Kansas calculation purposes only.

EXAMPLE: A Kansas resident adopts two children, both residents of Kansas prior to adoption. One is a "child with special

needs." The allowable Kansas credit for one child is 50% of the federal credit and 75% of the federal credit for the child with special needs. Kansas credits are a percentage of the federal credit based on that child's specific status (resident/nonresident; child with special needs).

In addition to the 75% credit available to Kansas residents for adopting a child with special needs, the adoptive parents are entitled to an additional \$1,500 credit. The \$1,500 credit is available to Kansas residents when the adoptive child is either in the custody of the DCF or a "child with special needs."

If Kansas residents adopt a child that is either in the custody of DCF or a child with special needs but the adopted child is a nonresident of Kansas the credit is 25% of the federal credit allowed and the additional \$1,500 credit. (Note that the definition of a child with special needs requires that they be a citizen or resident of the United States.)

Kansas Tax Liability Limit: If your Kansas adoption credit is more than your tax liability for the tax year (after all other credits), you may carry any unused credit amount forward until the credit is used up.



If you have claimed this credit before, retain a copy of the following documents with your records as KDOR (Kansas Department of Revenue) reserves the right to request any additional information as necessary.

- Agency Consent to Adoption
- Adoption Support Agreement
- Adoption Decree
- Federal Form 8839 Parts I, II, and III

You may fax these documents to 785-296-8989. Include a cover sheet showing taxpayer name, Social Security number, and total number of pages included in the packet of information.

TAXPAYER ASSISTANCE

For assistance in completing this schedule contact KDOR:

Tax Operations
 Docking State Office Building, 1st fl.
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