

K-64

(Rev. 8/11)

KANSAS BUSINESS MACHINERY & EQUIPMENT 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 – SCHEDULE OF PROPERTY TAXES PAID ON QUALIFIED MACHINERY & EQUIPMENT

Property tax year	Property classification	(a) Property tax paid*	(b) Date paid**
2010	Schedule 2 – Oil and Gas Machinery & Equipment		
2010	Schedule 5 – Commercial and Industrial Machinery & Equipment		
2010	Schedule 6 – Other Business Property (Check all that apply) <input type="checkbox"/> Spare Parts <input type="checkbox"/> Supplies <input type="checkbox"/> Other (describe):		
2011	Schedule 2 – Oil and Gas Machinery & Equipment		
2011	Schedule 5 – Commercial and Industrial Machinery & Equipment		
2011	Schedule 6 – Other Business Property (Check all that apply) <input type="checkbox"/> Spare Parts <input type="checkbox"/> Supplies <input type="checkbox"/> Other (describe):		

* Do not include any filing penalties.

** If paid on more than one date, enter the latest date.

- 1a. Enter the total from column (a) above. This is the total property tax paid this tax year on qualified commercial and industrial machinery and equipment (do **NOT** include equipment you are leasing). 1a. _____
- 1b. If you are a partner, member, or shareholder in a partnership, S corporation, LLC, or LLP, enter the percentage that represents your proportionate share. If you are the sole owner, enter 100%. 1b. _____ %
2. Total property tax eligible for credit (multiply line 1a by line 1b). 2. _____

PART B – COMPUTATION OF CREDIT (All filers complete lines 3 and 4)

3. Credit percentage allowed. 3. 25%
4. Total credit available this tax year (multiply line 2 by line 3). **IMPORTANT:** If you are filing Forms K-120 or K-130, skip lines 5 through 7 and enter this amount on the appropriate line of your return. 4. _____

Form K-40 or Form K-41 filers: complete lines 5 and 6 and, if applicable, PART C.

5. Amount of your Kansas tax liability for this tax year after all credits other than this credit. 5. _____
6. Credit this tax year (enter the lesser of line 4 or line 5). Also enter this amount on the appropriate line of Form K-40 or Form K-41. 6. _____

If line 6 is less than line 4, complete PART C.

PART C – COMPUTATION OF REFUND (K-40 and K-41 filers)

7. Subtract line 6 from line 4. This is the amount of excess credit to be refunded. Enter this amount on the refundable credit line of Form K-40 or Form K-41. 7. _____

INSTRUCTIONS FOR SCHEDULE K-64

GENERAL INFORMATION

K.S.A. 79-32,206 provides a tax credit against the income tax, privilege tax, and insurance company premiums tax for personal property taxes paid. The credit is 25% of the personal property taxes timely paid in the tax year. The property tax must have been timely paid during the tax year for which the credit is taken. The amount of credit that exceeds the tax liability will be refunded.

“Qualifying machinery and equipment” means commercial and industrial machinery and equipment required to be listed for property taxation on Schedule 2, Schedule 5, or Schedule 6 by a for-profit business required to file an income tax, privilege tax, or insurance company premiums tax return.

- **Schedule 2**—Prescribed and/or itemized machinery and equipment used in mineral leasehold interests including diesel engines, drilling rigs, electric motors, line piping, mud pumps, water injection pumps, oil separators, oil well tubing pumps, pumping jacks, service units and tanks.
- **Schedule 5**—Commercial and industrial machinery and equipment used for business purposes.
- **Schedule 6**—All other business related tangible personal property not elsewhere classified, such as spare parts. Equipment that is leased can only be claimed by the owner.

Personal property tax paid on motor vehicles, nonbusiness use property, leased equipment and tangible personal property owned by a public utility is not eligible for this credit (K.S.A. 79-32,206).



Railroad and Telecommunication companies should use Credit Schedule K-36 to claim property taxes paid on machinery and equipment.

Partnerships, S Corporations, LLCs and LLPs

Partners, shareholders and members will claim this credit in the same manner as they account for their proportionate share of the income or loss of the partnership, S corporation, LLC, or LLP. If you are a partner, shareholder or member in more than one business qualifying for this credit, you must enclose a separate Schedule K-64 for each business.

Required Information

In order to complete this schedule you will need a copy of the receipt(s) from your county treasurer showing timely payment of the personal property tax on the qualifying property.



IMPORTANT: You MUST enclose copies of the paid receipts with this schedule if the credit on line 4 is more than \$500. The Department of Revenue reserves the right to request any additional receipts as necessary.

If your paid receipt does not separate the tax paid on qualified property from other personal property taxes paid, you must obtain a breakdown of the tax paid on the qualified property from the county and enclose it with this schedule.

This may include obtaining the assessed value and mill levy from the county in order to determine the tax paid on qualified property. For example, if you own Schedule 2 property, you will need the tax paid on prescribed and itemized equipment separated from the total tax paid on the mineral leasehold interests. For Schedule 6 property, you will need the tax paid on business-related property separated from Schedule 6 non-business-related property.

PART A — SCHEDULE OF PROPERTY TAXES PAID

Using your paid receipt from the county treasurer, enter the amount of personal property tax timely paid on qualifying business machinery and equipment. Do not include any additional tax incurred due to filing penalties. If the receipt does not provide all the information necessary to complete Part A, obtain the personal property valuation notice and/or contact your county appraiser for a breakdown.

Partners, Shareholders or Members: If you are a partner, shareholder or member in more than one business qualifying for this credit, enclose a separate Schedule K-64 for each business.

LINE 1a—Enter the total personal property tax timely paid this tax year on qualified machinery and equipment from column (a).

LINE 1b—Partners, shareholders or members: Enter percentage that represents your proportionate share in the partnership, S corporation, LLC or LLP. Sole owners: Enter 100%.

LINE 2—Multiply line 1a by line 1b. This is total personal property tax eligible for credit this tax year.

PART B — COMPUTATION OF CREDIT

All filers will complete line 4. Only Form K-40 and Form K-41 filers will complete lines 5, 6 and, if applicable, line 7.

LINE 3—The credit percentage allowed is 25% for all property taxes timely paid in 2011 (both the 2nd half of the 2010 and any 2011 property taxes).

LINE 4—Multiply line 2 by the percentage on line 3 and enter result. This is the credit available for this tax year.

Form K-120 and Form K-130 filers: Skip lines 5 through 7 and enter this amount on the appropriate line of Form K-120 or Form K-130.



IMPORTANT: If the amount on line 4 is more than \$500, you must enclose copies of the paid tax receipts with this schedule.

LINE 5—Enter the amount of your Kansas tax liability after all credits other than this credit.

LINE 6—Enter the lesser of lines 4 or 5. Enter this amount on the appropriate line of Form K-40 or Form K-41.

If line 6 is less than line 4, complete PART C.

PART C — COMPUTATION OF REFUND

LINE 7—Subtract line 6 from line 4. This is the excess credit to be refunded to you. If line 6 is more than line 4 you are not entitled to a refund. Enter this amount on the appropriate line of Form K-40 or Form K-41.

TAXPAYER ASSISTANCE

If you have questions about personal property tax or your valuation notice, contact your county appraiser. If you have questions or need a copy of your personal property tax receipt for payment, contact your county treasurer.

If you need assistance completing this schedule, contact the Department of Revenue:

Tax Operations
Docking State Office Building, 1st Floor
915 SW Harrison St.,
Topeka, KS 66625-2007

Phone: (785) 368-8222
Fax: (785) 291-3614
Web site: ksrevenue.org