

KANSAS
ALTERNATIVE-FUEL TAX CREDIT

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

Name of taxpayer (as shown on return)	Employer ID Number (EIN)
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Check the type(s) of alternative-fuel expenditures made and placed in service this tax year. Refer to the instructions to complete the application section(s), and enclose the required documentation.

- Gasoline or diesel vehicle conversion. Complete **SECTION 1** on the back of this form.
- Factory-equipped alternative-fueled vehicle. Complete **SECTION 2** on the back of this form.
- Alternative-fuel fueling station. Complete the following **SECTION 3**

SECTION 3 – Alternative-Fueled Fueling Station (see instructions and enclose required documentation)

- A. Date facility placed in service. A. _____
- B. Expenditures for compression equipment. B. _____
- C. Expenditures for storage tanks/receptacles. C. _____
- D. Expenditures for delivery property. D. _____
- E. Total qualified alternative-fuel fueling station expenditures. E. _____
- F. Amount of fueling station expenditures available for the credit (see instructions). F. _____
- G. Amount of credit (see instructions). Enter here and on line 3 below. G. _____

- 1. Amount of credit for gasoline or diesel vehicle conversion (from line 9, Section 1). 1. _____
- 2. Amount of credit for factory-equipped vehicle (from line 9, Section 2). 2. _____
- 3. Amount of credit for alternative-fueled fueling station (from line G, Section 3). 3. _____
- 4. Total credit available (add lines 1, 2, and 3). 4. _____

- 5. Amount of carry forward available on this return. Enter the amount of carry forward from the prior year's Schedule K-62. 5. _____
- 6. Total credit available this tax year (add lines 4 and 5). 6. _____
- 7. Your tax liability for this tax year after all credits other than this credit. 7. _____
- 8. Alternative fuel credit for this tax year. Enter the lesser of lines 6 or 7 here and on the appropriate line of K-120. 8. _____

If line 8 is less than line 6, complete Part D.

PART D – COMPUTATION OF EXCESS CREDIT CARRY FORWARD

- 9. Amount of carry forward available to report on your Schedule K-62 for next year (subtract line 8 from line 6). 9. _____

KANSAS ALTERNATIVE-FUEL MOTOR VEHICLE CREDIT

SECTION 1 – Gasoline or Diesel Vehicle Conversion (see instructions and enclose required documentation)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	Date Vehicle Placed in Service	Vehicle Make	Vehicle Model	Vehicle Identification Number	Alternative Fuel Type	Dedicated Bi-Fueled or Flexible Fueled	Conversion Cost	Amount of Expenditures for Credit (see instr.)	Credit Amount this Vehicle (see instr.)
1.									
2.									
3.									
4.									
5.									
6.									
7.									
8.									
9. Total Section 1 Credit Available (add amounts in column (I)). Enter the result on line 1, Schedule K-62.									

SECTION 2 – Factory-Equipped Vehicle (see instructions and enclose required documentation)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)		(H)	(I)
	Date Vehicle Placed in Service	Vehicle Make	Vehicle Model	Vehicle Identification Number	Alternative Fuel Type	Dedicated Bi-Fueled or Flexible Fueled	(1) Incremental Cost	(2) Cost of Vehicles	Amount of Expenditures for Credit (see instr.)	Credit Amount this Vehicle (see instr.)
1.										
2.										
3.										
4.										
5.										
6.										
7.										
8.										
9. Total Section 2 Credit Available (add amounts in column (I)). Enter the result on line 2, Schedule K-62.										

INSTRUCTIONS FOR SCHEDULE K-62

GENERAL INFORMATION

Any individual, association, partnership, limited liability company, limited partnership or corporation who makes expenditures for a qualified alternative-fueled motor vehicle licensed in the state of Kansas or who makes expenditures for a qualified alternative-fuel fueling station qualifies to receive an income tax credit under K.S.A. 79-32,201.

This credit is only available to corporations that are subject to the Kansas corporate income tax (i.e., C corporations) and not available to individuals, partnerships, S corporations, limited liability companies, and other pass-through entities.

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.

Carry Forward of Unused Credits: For tax year 2017 and all years after no new credit or carryforward is available to individuals, partnerships, S corporations, limited liability companies, and other pass-through entities.

Motor vehicles purchased **on or after JULY 1, 2007** must be powered by a fuel source that meets the new definition of **alternative fuel** which means "a combustible liquid derived from grain starch, oil seed, animal fat or other biomass; or produced from biogas source, including any nonfossilized, decaying, organic matter." This definition **excludes** vehicles purchased on or after July 1, 2007 and fueled by methanol, natural gas, LP gas, hydrogen, coal-derived liquid fuels and electricity from qualifying for the credit. Alternative-fueled vehicles purchased on or after July 1, 2007 that qualify for the credit include:

- E-85 Fuel - Mixtures containing 85% or more by volume (but not less than 70%) of denatured ethanol and other alcohols with gasoline or other fuels - **E-85**
- Fuels (other than alcohol) derived from and containing 85% or more biological materials (i.e., biodiesel) - **B-100**

For qualified alternative-fueled motor vehicles placed in service on or after January 1, 2005, the credit is 40% of the conversion or incremental cost, up to the maximum for the gross vehicle weight from the chart that follows. "Conversion" cost means the cost that results from modifying a motor vehicle which is propelled by gasoline or diesel to be propelled by an alternative fuel. "Incremental" cost means the cost that results from subtracting the manufacturer's list price of the motor vehicle operating on conventional gasoline or diesel fuel from the manufacturer's list price of the same model motor vehicle designed to operate on an alternative fuel.

Maximum Credit on or after 1/1/2005

<u>Gross Vehicle Weight (GVW)</u>	<u>Maximum Credit Available</u>
less than 10,000 lbs.	\$ 2,400
10,000 – 26,000 lbs.	\$ 4,000
over 26,000 lbs.	\$ 40,000

As an alternative to the above described credit, a taxpayer may claim a credit for the purchase of a new motor vehicle equipped by the vehicle manufacturer to operate on a blend of 85% ethanol and 15% gasoline not to exceed the lesser of 5% of the cost of the vehicle or \$750. This credit is allowed only

if the taxpayer claiming the credit furnishes evidence of the purchase, during the period of time beginning with the date of purchase of such vehicle and ending on December 31 of the next succeeding calendar year, of 500 gallons of such ethanol and gasoline blend as may be required or is satisfactory to the secretary of revenue.

PART A – ALTERNATIVE-FUELED MOTOR VEHICLE OR FUELING STATION INFORMATION (C Corporations only)

Required Documentation: You must enclose copies of invoices to substantiate the type of alternative-fueled vehicle and the conversion costs claimed in this section.

Check the type of alternative-fuel expenditures made this tax year, then complete the appropriate Section(s). Be sure to enclose the required detailed documentation of expenditures.

SECTION 1 – Gasoline or Diesel Vehicle Conversion

COLUMN A – Enter the date the alternative-fueled motor vehicle was placed in service.

COLUMNS B through F – Enter required information for each vehicle converted to use an alternative fuel. Use the letter abbreviations in the general information section to the left for type of fuel; if "Other," please specify. In column (F), enter a "B" for a bi-fueled vehicle, a "D" for a dedicated vehicle, or an "F" for a flexible fuel vehicle.

COLUMN G – Enter the total cost incurred to convert the gasoline or diesel-powered vehicle to use an alternative fuel.

COLUMN H – For property placed in service on or after January 1, 2005, enter 40% of column (G).

COLUMN I – For property placed in service on or after January 1, 2005, enter the lesser of column (H) or the maximum amount shown under Maximum Credit on or after 1/1/2005 in the *General Information* section.

SECTION 2 – Factory-Equipped Vehicle

Required Documentation: Enclose a copy of the sales invoice for each factory-equipped alternative-fueled vehicle purchased. If using the Incremental Cost option, column (G)(1), enclose documentation of the cost of a gasoline or diesel-powered vehicle of the same model.

For all tax years beginning after 12/31/99, if you are using the Cost of Vehicle option, column (G)(2) for an E-85 vehicle, you must enclose proof of purchase of at least 500 gallons of E-85 fuel from date of vehicle purchase to December 31 of the next succeeding calendar year.

COLUMNS A through F – Complete as in Section 1.

COLUMN G – Complete *either* column (G)(1) or (G)(2).

Column (G)(1) – Incremental Cost. Under this option enter the difference between the manufacturer's list price of the alternative-fueled vehicle and the manufacturer's list price of the same model vehicle operated on gasoline or diesel fuel.

Column (G)(2) – Cost of Vehicle. Under this option, enter the total cost of the alternative-fueled vehicle.

COLUMN H – For property placed in service on or after January 1, 2005, enter 40% of column (G)(1) or 5% of column (G)(2).

COLUMN I – If column (G)(1) is used, enter the lesser of column (H) or the maximum amount shown under Maximum Credit on or after 1/1/2005 in the *General Information* section.

If column (G)(2) is used, enter the lesser of column (H) or \$750.

SECTION 3 – Alternative Fuel Fueling Station

Required Documentation: Enclose a detailed description of the fueling station, its exact physical location, and a photograph of the completed operation. Also enclose copies of invoices and a detailed schedule showing how you computed the cost of the qualifying alternative-fuel fueling station property shown on lines B through D.

LINE A – Enter the date the alternative-fuel fueling station was placed in service.

LINES B through D – Enter only the cost of the equipment that is directly related to the delivery of an alternative fuel into the fuel tank of a motor vehicle propelled by such fuel. Labor services to install the property, architect and engineering fees and other related expenses may NOT be included.

LINE E – Enter the total of lines B, C, and D.

LINE F – For refueling stations placed in service on or after January 1, 2009, enter the lesser of line E or \$100,000.

LINE G – For a qualified alternative-fuel fueling station placed in service on or after January 1, 2005, multiply amount on line F by 40% and enter result. Also enter the amount on line 3, PART B.

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

LINE 1 – Enter the amount of credit for gasoline or diesel vehicle conversion from Section 1, line 9.

LINE 2 – Enter the amount of credit for factory-equipped vehicle from Section 2, line 9.

LINE 3 – Enter the amount of credit for alternative-fueled fueling station from Section 3, line G.

LINE 4 - Enter the total of lines 1, 2, and 3. This is your total available credit for this year's expenditures.

PART C – COMPUTATION OF THIS YEAR'S CREDIT

LINE 5 – Enter the amount of carry forward available from the prior year's Schedule K-62. Enclose a copy of the prior year's Schedule K-62. **Note:** A credit may not be carried over after the third succeeding taxable year.

LINE 6 – Add lines 4 and 5 and enter the result.

LINE 7 – Enter your total Kansas tax liability for this tax year after all credits, other than this credit.

LINE 8 - Enter the lesser of lines 6 or line 7. Also enter this amount on the appropriate line of Form K-120.

If line 8 is less than line 6, complete PART D.

PART D – COMPUTATION OF CREDIT CARRY FORWARD

LINE 9 – Subtract line 8 from line 6 and enter result (cannot be less than zero). This is your available credit to enter on next year's Schedule K-62.

Note: When you claim the carry over amount next year, you will need to include a copy of this schedule with your return and Schedule K-62.

TAXPAYER ASSISTANCE

For assistance with the technical aspects of alternative fuels and alternative-fueled motor vehicles and fueling stations, contact:

Weights and Measures
Kansas Department of Agriculture
1320 Research Park Drive 2nd fl
Manhattan KS 66502

Phone: 785-564-6786
Fax: 785-564-6779
agriculture.ks.gov

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.org**