BULLETIN 2002-5

| То: | All Companies Authorized to Transact Accident and Health Insurance In The State of Kansas |
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| From: | Matt All Assistant Commissioner |
| Subject: | Refundable Tax credits For Small Business Health Benefit Plans |

Date: July 29, 2002

The purpose of this bulletin is to issue an addendum to Bulletin 2000-1, to advise companies authorized to transact Accident and Health Insurance in the State of Kansas about recent changes to K.S.A. 40-2240. When the small business tax credit legislation was enacted it contained a sunset provision to this tax credit. The legislature amended K.S.A 40-2240 to remove the ending date of the tax credit. This amendment became effective May 23, 2002.

The Commissioner would further advise a small business that wants to take advantage of the refundable tax credits must make application to the Kansas Insurance Department *prior to the effective date of group health insurance coverage*. An application can be obtained by contacting Craig Van Aalst at (785) 296-7850.

If you have any questions of comments regarding the information contained herein, please direct them to Craig Van Aalst at (785) 296-7850, at the Kansas Insurance Department, 420 S.W. Ninth Street, Topeka, Kansas, 66612.

Matt All Assistant Commissioner