

How to utilize the tax credits:

Complete Form K-57. You will need to complete the Department of Revenue Schedule K-57 form to utilize the tax credit.

For information regarding how this tax credit might apply to your business, contact your tax adviser. The Kansas Insurance Department cannot provide tax advice.



Contact us:

Online:
insurance.kansas.gov

By email:
KID.commissioner@ks.gov

Consumer Assistance Hotline:
800-432-2484

Main Number:
785-296-3071

By mail:
1300 SW Arrowhead Rd., Topeka,
KS 66604

By fax:
785-296-5806

Hours:
8 a.m. to 5 p.m. weekdays
(except state holidays)



Vicki Schmidt
*Commissioner of
Insurance*

Health insurance tax credits for small business

A publication of the **Kansas Insurance Department**





Tax credits can make it more affordable for businesses to contribute to health insurance premiums or health savings accounts for their employees.



Tax credits

Eligible employers will receive a tax credit for contributions they make to health savings accounts or insurance plans for their employees. In the first year, the tax credit will equal \$70 per eligible employee per month.

This program is designed to help employers and employees, but not make them dependent on the government. Therefore, the tax credit gradually declines over a three-year period.

How does it work?

According to 2012 Senate Sub. for HB 2117: *“For tax years 2013 and all tax years thereafter, the income tax credit...shall only be available to taxpayers subject to the income tax on corporations imposed pursuant to subsection (c) of K.S.A. 79-32,110, and amendments thereto, and shall be applied only against such taxpayer’s corporate income tax liability.”*

Businesses that meet that criteria that have been in existence for less than two years and have not provided any health insurance or made health savings account contributions for employees may also take advantage of the program. Self-insured plans are not eligible for the tax credit.

For more information about the tax credits, refer to the following statutes:

- **K.S.A. 40-2239**
- **K.S.A. 40-2240**
- **K.S.A. 40-2241**
- **K.S.A. 40-2242**
- **K.S.A. 40-2246**

Amount of the credit

Year 1: \$70 per month per eligible covered employee.

Year 2: Reduces to \$50 per month per eligible covered employee.

Year 3: Reduces to \$35 per month per eligible covered employee.

Year 4 and later: The tax credit is no longer available.

For more information, contact Craig Van Aalst at the Kansas Insurance Department at 1-800-432-2484 or 785-296-7850.