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?
K.S.A. 40-2246(g): “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.
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 800-432-2484 or 785-296-7850.