

40-252e. Small insurance company credit against premium tax. For tax years 1998 and thereafter, a foreign or domestic insurance company required to pay a tax on premiums under subsection A, C, D or F of K.S.A. 40-252, and amendments thereto and writing less than \$15,000,000 in premiums in all states shall be allowed as a small company credit against such tax the amount computed as follows:

- (a) Subtract the total dollar amount of all premiums written by the company in all states from \$15,000,000;
- (b) Divide the result obtained in (a) by 15,000,000;
- (c) Multiply the quotient obtained in (b) by 90,000 with the resulting credit not to exceed \$30,000. No credit under this section shall be allowed unless the company has paid salaries for which a salary credit is allowed under K.S.A. 40-252d.

Before taking into account any other credit or offset against the tax on premiums imposed under K.S.A. 40-252, and amendments thereto, the employment credit allowed under K.S.A. 40-252d, and amendments thereto and the small company credit allowed under this section, taken together, may not reduce such tax by more than 1% of premiums taxable under K.S.A. 40-252, and amendments thereto, for tax year 1998 or by more than 1.25% of premiums taxable under K.S.A. 40-252, and amendments thereto, for tax years 1999 and thereafter. For purposes of calculating any tax due under K.S.A. 40-253, and amendments thereto, from a taxpayer not organized under the laws of this state, the credit allowed by this section shall be treated as a tax paid under K.S.A. 40-252, and amendments thereto.

History: L. 1997, ch. 175, § 8; July 1.