

ENTREPRENEURSHIP TAX CREDITS

ECONOMIC SENSE, TARGETED DELIVERY

Kansas Center for Entrepreneurship d.b.a. NetWork Kansas was created as a key component of the Kansas Economic Growth Act of 2004 to lead collaborative efforts between education, research and outreach services—as well as public sector organizations—in order to serve potential and existing entrepreneurs statewide. An integral part of this effort is providing seed capital to entrepreneurs and small business owners in rural and distressed areas of Kansas. The *Kansas Center for Entrepreneurship Tax Credit* was created to stimulate this effort.

75% TAX CREDIT

Donors receive a 75% state income tax credit for their donation. A tax credit is a dollar-for-dollar credit against state income tax liability. This means that for every \$1,000 donated, donors will receive \$750 credit directly off of their state income tax liability.

Donors are also eligible to receive a federal and state tax deduction and should consult with their individual tax specialist to determine the amount of any deductions. A K-31 Form is required with the individual tax form and is available online through the Kansas Department of Revenue.

WHAT ARE THE INDIVIDUAL MINIMUM AND MAXIMUM ANNUAL TAX CREDITS ALLOWED?

The minimum allowable tax credit per year is \$187.50, which translates into a donation of \$250. The maximum allowable credit per year is \$100,000, which translates into a donation of \$133,333.33. If the amount of the tax credit exceeds the contributor's liability in the taxable year, the remaining portion of the credit may be carried forward until the total amount of credit is applied.

**For financial institutions, a credit against the privilege tax as measured by net income of financial institutions pursuant to article 11 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto shall be allowed for a contribution to the Kansas Center for Entrepreneurship.*

***If the donor is a corporation with an election in effect under Subchapter S of the Federal Internal Revenue Code or is a partnership, the credit provided by this section shall be claimed by the shareholders of these corporations or the partners must account for their proportionate shares of the income or loss of these corporations or partnerships.*



WHO CAN DONATE?

Individuals, financial institutions* (banks and savings and loans), and corporations** can donate to the Kansas Center for Entrepreneurship.

WHERE DOES THE MONEY GO?

Donations to the Center provide funding for entrepreneurship programs and matching loans through local or regional non-profit business support providers who are also NetWork Kansas resource partners.

Entrepreneurship programs and matching loans are made available to businesses who are starting or expanding a business.

NetWork Kansas resource partners include the Entrepreneurship Community Partnership, economic development agencies, small business development centers, and other non-profit organizations charged with assisting entrepreneurs and small businesses in Kansas.

HOW DO I DONATE TO THE FUND?

Make checks payable to the Kansas Center for Entrepreneurship. Our mailing address is:

***Kansas Center for Entrepreneurship
c/o NetWork Kansas
P.O. Box 877
Andover, Kansas 67002-0877***

The donor will be required to provide their social security number or company federal tax identification number to the Kansas Center for Entrepreneurship in order to receive credit for their donation.

Call 316.425.8808 to verify that credits are still available for the current tax year.

HOW DO I CONTACT NETWORK KANSAS?

If you have questions about the Kansas Entrepreneurship Tax Credit, please contact:

Kristi Pedersen
316.425.8808 | kpetersen@networkkansas.com

For more information about NetWork Kansas, please call **877.521.8600** to speak with one of our referral coordinators or visit our website:

www.networkkansas.com

ABOUT NETWORK KANSAS

NetWork Kansas is a 501c3 nonprofit organization dedicated to developing an entrepreneurial ecosystem in Kansas that connects aspiring, emerging and established businesses to a deep network of business-building resource organizations in communities across the state. NetWork Kansas provides small businesses and entrepreneurs with free, easy access to the resources they need to start and grow successful businesses. For more information, contact us.

OUR VISION

To be recognized nationally as a leading organization devoted to the establishment and growth of entrepreneurship and small business as a priority for economic and community development.

OUR MISSION

To promote an entrepreneurial environment throughout the state of Kansas by establishing a central portal that connects entrepreneurs and small business owners with the right resources—expertise, education and economic resources—when they are needed most.

NETWORK KANSAS

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