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**What You Need to Know About Kansas's 2017 Income Tax Increase –  
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The grand experiment, a la the Laffer curve, ended in June for Kansas. The legislature overrode Governor Brownback's veto, and is raising income taxes. Get ready to pay more.

**Rates and Brackets:** To see how much more you'll pay, take a look at your 2016 tax return. Assuming your financial situation stays mostly the same, then your tax rate moves to 5.7% if your taxable income is over \$60,000, assuming you're married. It was 4.6%.

If your taxable income ranges from \$30,000 to \$60,000, you'll pay at 5.25%, up from 4.6%. If it's below \$30,000, you'll pay at 3.1%, up from 2.6%.

These new rates start in 2018. You'll pay 2017 taxes at rates of 5.2%, 4.9%, and 2.9% to phase-in.

For single tax filers, the new tax rates are the same but brackets are cut in half, so the upper bracket (5.7%) starts at income over \$30,000. The middle bracket is \$15,000 to \$30,000. The lower bracket is under \$15,000.

**Deductions and Credits:** The child and dependent care tax credit will return in 2018. Low-income taxpayers will have to pay, starting at \$5,000 of income (rather than \$12,500) if married; \$2,500 if single.

You can deduct some medical expenses starting in 2018, and phase in to a 100% deduction by 2020. You can deduct more mortgage interest in 2019, and phase back in fully by 2020.

**Businesses:** For business owners using LLC's and S-Corps, your non-wage income will be taxed again starting 2017. Some businesses had crossed the state line to take advantage of the prior exemption.



**Play Parent One More Time**

Has your child recently gotten their first job?  
Bought their first house? Gotten married? Had  
their first child?

Set them up with a phone or office meeting  
with us. We will review the financial planning  
steps to take to get started on the right foot.

No charge.