

Uplifting

AVIATION BUSINESSES



KANSAS AVIATION TAX CREDIT

The state of Kansas created tax incentives to assist aviation sector businesses in recruiting highly skilled talent, starting with the 2022 tax year. Read the overviews below to see if your business can take advantage of these game-changing tools.

INCOME TAX CREDIT UP TO
\$15,000
PER YEAR, PER EMPLOYEE

TOTALING UP TO
\$75,000
IN CREDITS PER EMPLOYEE THROUGH 2026

Employee Incentive to Aid in Recruitment

New hires in the aviation sector that qualify can now receive up to \$5,000 per year as a state income tax credit through 2026, totaling up to \$25,000. The employee must have a degree or certificate from a qualifying program. The nonrefundable credit is available to Kansans and people re-locating to Kansas with a qualifying out-of-state degree or certificate. A document explaining this credit to aid in talent recruitment is available at www.aircapitaloftheworld.com/taxcredits.

Employer Incentive to Hire Qualified Talent

Employers may receive a non-refundable tax credit for 10% of the compensation paid for each new qualified employee (limit of \$15,000 per year, per employee) in each of the first five years of employment, adding up to \$75,000 in credits per employee. This employer incentive is available for qualifying new employees hired between 2022-2026.

Employer Incentive to Upskill Employees

A third credit is available for companies that reimburse tuition for their employees and encourages more companies to do the same. The credit reimburses tuition up to 50% of the total provided to the employee. This employer credit can be claimed if the employee graduates from a qualified program within one year of the date of hire. The tax credit can be claimed each year for up to four years if the employee remains employed at the company.

Employer credits must be applied against the employer's income tax liability after all other credits allowed; it is not refundable and may not be carried forward.

FOR MORE INFORMATION:

Visit aircapitaloftheworld.com/taxcredits or contact Andrew Wiens at awiens@wichitachamber.org