

K-47

(Rev. 7/16)

KANSAS ADOPTION CREDIT

For the taxable year beginning, _____, 20____; ending _____, 20_____.

Name of taxpayer (as shown on return)	Social Security Number
Name of child adopted (first and last name)	Social Security Number of child

Was the adoption finalized in this tax year? Yes No If no, enter the year in which the adoption was finalized: _____

Was the child a special needs child or in the custody of DCF (see instructions for special needs/DCF custody adoption)? Yes No

PART A – GENERAL ADOPTION CREDIT

- Federal adoption credit allowed this tax year (see instructions). 1. _____
- Credit percentage allowed. Check the appropriate box, multiply line 1 by the corresponding percentage, and enter the result. 2. _____
 - 25% (.25) if the adopted child was NOT a Kansas resident prior to adoption, **or**
 - 50% (.50) if the adopted child WAS a Kansas resident prior to adoption, **or**
 - 75% (.75) if the adopted child was BOTH a Kansas resident prior to adoption AND a child with special needs.

PART B – SPECIAL NEEDS OR DCF ADOPTION CREDIT

- Special needs or DCF custody adoption credit (for new credits only; see instructions). 3. _____

PART C – COMPUTATION OF THIS YEAR'S CREDIT

- Credit forward from your prior year's Schedule K-47.
(Make no entry on this line if this is your first year to claim the credit.) 4. _____
- Total credit available this tax year (add lines 2, 3, and 4). 5. _____
- Enter your Kansas tax liability for this tax year after all credits except this credit. 6. _____
- Adoption credit for this tax year (enter the lesser of lines 5 or 6 here and on the appropriate line of Form K-40). 7. _____

If line 7 is less than 5, complete PART D.

PART D – COMPUTATION OF THIS YEAR'S CREDIT

- Subtract line 7 from line 5. This is your carry forward credit available on next year's Schedule K-47.
Enter this amount on next year's Schedule K-47. 8. _____

INSTRUCTIONS FOR SCHEDULE K-47

GENERAL INFORMATION

K.S.A. 79-32,202 provides adoption tax credits for Kansas residents and part-year residents of Kansas who file as residents for all taxable years beginning after December 31, 2005 but the law was repealed in 2013 for any **new** credits. However, 2014 legislation reinstated these credits commencing in tax year 2014, and all tax years thereafter. For more information see the *Frequently Asked Questions (FAQs)* document on our web site.

General Adoption Credit. The basic credit for Kansas residents adopting a child (or children) is 25% of the adoption credit allowed on your federal income tax return. An additional 25% credit (total of 50%) is available to Kansas residents *if the adopted child was a Kansas resident prior to adoption*. Another 25% credit (total of 75%) is available to Kansas residents *if the adopted child was both a Kansas resident prior to adoption and a "child with special needs."*

A **child with special needs** as defined by 26 U.S.C. 23(d)(3) (A) means a State has determined that the child cannot or should not be returned to the home of his parents, (B) such State has determined that there exists with respect to the child a specific factor or condition (i.e., ethnic background, age, or membership in a minority or sibling group, or the presence of factors such as medical conditions or physical, mental, or emotional handicaps) because of which it is reasonable to conclude that such child cannot be placed with adoptive parents without providing adoption assistance, and (C) such child is a citizen or resident of the United States [as defined in section 217(h)(3)].

Adopting a Special Needs Child or a Child in Custody of Kansas Department for Children and Families (DCF). For residents adopting a child in one of these situations, a credit of \$1,500 is allowed in addition to those described in the *General Adoption Credit* section. This credit is available even if you have been reimbursed all or part of the qualifying adoption expenses.

Adopting More Than One Child. If you completed federal Form 8839, Qualified Adoption Expenses, for two or more adopted children that qualify for different Kansas adoption credits, then all children must be listed on federal Form 8839 (PARTS I, II, and III) Worksheet and it must contain applicable information for each adopted child. This worksheet is required for Kansas calculation purposes only. **EXAMPLE:** A Kansas resident adopts two children, both residents of Kansas prior to adoption. One is a child with special needs. The allowable Kansas credit for one child is 50% of the federal credit and 75% of the federal credit for the child with special needs. Kansas credits are a percentage of the federal credit based on the child's specific status (resident, nonresident, or child with special needs).

In addition to the 75% credit available to Kansas residents for adopting a child with special needs, the adoptive parents are entitled to an additional \$1,500 credit. The \$1,500 credit is available to Kansas residents when the adoptive child is either in the custody of DCF or a "child with special needs."

If Kansas residents adopt a child that is either in the custody of DCF or a child with special needs but the adopted child is a nonresident of Kansas the credit is 25% of the federal credit allowed and the additional \$1,500 credit. (The definition of a child with special needs requires they be a citizen or resident of the United States.)



Kansas Tax Liability Limit. If your Kansas adoption credit is more than your tax liability for the tax year (after all other credits), you may carry any unused credit amount forward until the credit is used up.

IMPORTANT: You must complete a separate Schedule K-47 for each adopted child.

SPECIFIC LINE INSTRUCTIONS

Complete all requested information at the top of the Schedule K-47. **A separate K-47 is required for each adopted child.**

PART A – GENERAL ADOPTION CREDIT

LINE 1 – Enter the federal adoption credit amount allowed this tax year. This is generally the amount of credit shown on federal Form 8839. If you are claiming this credit for having adopted more than one child, follow the instructions outlined in the paragraph above entitled *Adopting More Than One Child*.

LINE 2 – Credit percentage allowed. Mark the box for the percentage appropriate for your situation. If, prior to adoption, the child was:

- **not** a Kansas resident, multiply line 1 by 25% (.25).
- a Kansas resident, multiply line 1 by 50% (.50).
- both a Kansas resident **and** a child with special needs, multiply line 1 by 75% (.75).

PART B – SPECIAL NEEDS OR DCF ADOPTION CREDIT

LINE 3 – **This line to be used for new credits only.** The credit is \$1,500 for each child with special needs or in the custody of DCF who was adopted this tax year.

PART C – COMPUTATION OF THIS YEAR'S CREDIT

LINE 4 – If this is your first year to claim this credit, make no entry on this line. In subsequent years, enter the carry forward amount from your prior year's Schedule K-47.

LINE 5 – Add lines 2, 3 and 4 and enter the result.

LINE 6 – Enter the amount of your Kansas tax liability after all other credits except this one.

LINE 7 – Enter the **smaller** of lines 5 or 6. This is the amount of your Kansas adoption credit for this tax year. Enter this amount on the appropriate line of Form K-40.

If your Kansas adoption credit on line 5 is more than the adoption credit allowed this tax year (line 7), complete Part D and use the excess amount on next year's tax return.

PART D – COMPUTATION OF CARRY FORWARD CREDIT

LINE 8 – Subtract line 7 from line 5. Do not enter an amount less than zero. This is the amount of credit you will have available to enter on the Schedule K-47 you file next year.



If this is your first year to claim the adoption credit, you must provide the following documents to support your credit. You may fax them to 785-296-8989, but include a cover sheet with taxpayer name, Social Security number, and the total number of pages in your packet.

- Agency Consent to Adoption
- Adoption Support Agreement
- Adoption Decree
- Federal Form 8839 Parts I, II, and III

If you claimed this credit before, then retain a copy of these documents with your tax records as the Kansas Department of Revenue reserves the right to request them at a later date.

TAXPAYER ASSISTANCE

For assistance in completing this schedule contact the Kansas Department of Revenue:

By mail	Walk-in
Tax Operations	Taxpayer Assistance Center
Docking State Office Building	Scott Office Building
915 SW Harrison St.	120 SE 10th Ave.
Topeka, KS 66612-1588	Topeka, KS

Phone: 785-368-8222
Fax: 785-291-3614
ksrevenue.org