

KANSAS
ALTERNATIVE-FUEL TAX CREDIT

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

Name of taxpayer (as shown on return)	Social Security Number or Employer ID Number (EIN)
If partner, shareholder or member, enter name of partnership, S corporation, LLC or LLP	Employer ID Number (EIN)

PART A ALTERNATIVE-FUELED MOTOR VEHICLE AND FUELING STATION INFORMATION

Check the type(s) of alternative-fuel expenditures made and placed in service this tax year. Refer to the instructions to complete the application section(s), and enclose the required documentation.

- Gasoline or diesel vehicle conversion. Complete **SECTION 1** on the back of this form.
- Factory-equipped alternative-fueled vehicle. Complete **SECTION 2** on the back of this form.
- Alternative-fuel fueling station. Complete the following **SECTION 3**.

SECTION 3 – Alternative-Fueled Fueling Station (see instructions and enclose required documentation)

A. Date facility placed in service.	A. ____ / ____ / ____
B. Expenditures for compression equipment.	B. _____
C. Expenditures for storage tanks/receptacles.	C. _____
D. Expenditures for delivery property.	D. _____
E. Total qualified alternative-fuel fueling station expenditures.	E. _____
F. Amount of fueling station expenditures available for the credit (see instructions).	F. _____
G. Amount of credit (see instructions). Enter here and on line 3 below.	G. _____

PART B – COMPUTATION OF CREDIT AVAILABLE FOR THIS YEAR’S EXPENDITURES

1. Amount of credit for gasoline or diesel vehicle conversion. (From line 9, Section 1.)	1. _____
2. Amount of credit for factory-equipped vehicle. (From line 9, Section 2.)	2. _____
3. Amount of credit for alternative-fueled fueling station. (From line G, Section 3.)	3. _____
4. Total credit available. Add lines 1, 2, and 3.	4. _____
5. Your proportionate share percentage (see instructions).	5. _____ %
6. Your share of the credit for the amount expended this tax year. Multiply line 4 by line 5.	6. _____

PART C – COMPUTATION OF THIS YEAR’S CREDIT

7. Amount of carry forward available on this return. Enter the amount of carry forward from the prior year’s Schedule K-62.	7. _____
8a. Total credit available this tax year. Add lines 6 and 7 and enter the result: _____. Multiply the amount on line 8a by 90% and enter the result on line 8b.	8b. _____
9a. Your total tax liability for this tax year to be applied against <u>this credit</u> : _____. Multiply the amount on line 9a by 90% and enter the result on line 9b.	9b. _____
10. Alternative fuel credit for this tax year. Enter the lesser of lines 8b or 9b. Enter this amount here and on the appropriate line of Form K-40, K-41, or K-120.	10. _____

If line 9a is less than line 8a, complete Part D.

PART D – COMPUTATION OF EXCESS CREDIT CARRY FORWARD

11. Subtract line 9a from line 8a and enter the result on line 11. This is the amount of carry forward available to report on your Schedule K-62 for next year.	11. _____
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KANSAS ALTERNATIVE-FUEL MOTOR VEHICLE CREDIT

SECTION 1 – Gasoline or Diesel Vehicle Conversion (see instructions and enclose required documentation)

	(A) Date Vehicle Placed in Service	(B) Vehicle Make	(C) Vehicle Model	(D) Vehicle Identification Number	(E) Alternative Fuel Type	(F) Dedicated Bi-Fueled or Flexible Fueled	(G) Conversion Cost		(H) Amount of Expenditures for Credit (see instr.)	(I) Credit Amount this Vehicle (see instr.)	
1.											
2.											
3.											
4.											
5.											
6.											
7.											
8.											
9.	Total Section 1 Credit Available (add amounts in column (I)). Enter the result on line 1, Schedule K-62										

SECTION 2 – Factory-Equipped Vehicle (see instructions and enclose required documentation)

	(A) Date Vehicle Placed in Service	(B) Vehicle Make	(C) Vehicle Model	(D) Vehicle Identification Number	(E) Alternative Fuel Type	(F) Dedicated Bi-Fueled or Flexible Fueled	(G) (1) Incremental Cost (2) Cost of Vehicle		(H) Amount of Expenditures for Credit (see instr.)	(I) Credit Amount this Vehicle (see instr.)	
1.											
2.											
3.											
4.											
5.											
6.											
7.											
8.											
9.	Total Section 2 Credit Available (add amounts in column (I)). Enter the result on line 2, Schedule K-62										

INSTRUCTIONS FOR SCHEDULE K-62

GENERAL INFORMATION

Any individual, association, partnership, limited liability company, limited partnership or corporation who makes expenditures for a qualified alternative-fueled motor vehicle licensed in the state of Kansas or who makes expenditures for a qualified alternative-fuel fueling station qualifies to receive an income tax credit under K.S.A. 79-32,201.

Motor vehicles purchased **on or after JULY 1, 2007** must be powered by a fuel source that meets the new definition of **alternative fuel** which means “a combustible liquid derived from grain starch, oil seed, animal fat or other biomass; or produced from biogas source, including any nonfossilized, decaying, organic matter.” This definition **excludes** vehicles purchased on or after July 1, 2007 and fueled by methanol, natural gas, LP gas, hydrogen, coal-derived liquid fuels and electricity from qualifying for the credit. Alternative-fueled vehicles purchased on or after July 1, 2007 that qualify for the credit include:

- E-85 Fuel - Mixtures containing 85% or more by volume (but not less than 70%) of denatured ethanol and other alcohols with gasoline or other fuels - **E-85**
- Fuels (other than alcohol) derived from and containing 85% or more biological materials (such as biodiesel) - **B-100**

For qualified alternative-fueled motor vehicles placed in service on or after January 1, 2005, the credit is 40% of the conversion or incremental cost, up to the maximum for the gross vehicle weight from the chart that follows. “Conversion” cost means the cost that results from modifying a motor vehicle which is propelled by gasoline or diesel to be propelled by an alternative fuel. “Incremental” cost means the cost that results from subtracting the manufacturer’s list price of the motor vehicle operating on conventional gasoline or diesel fuel from the manufacturer’s list price of the same model motor vehicle designed to operate on an alternative fuel.

Maximum Credit on or after 1/1/2005

<u>Gross Vehicle Weight (GVW)</u>	<u>Maximum Credit Available</u>
less than 10,000 lbs.	\$ 2,400
10,000 – 26,000 lbs.	\$ 4,000
over 26,000 lbs.	\$ 40,000

As an alternative to the above described credit, a taxpayer may claim a credit for the purchase of a new motor vehicle equipped by the vehicle manufacturer to operate on a blend of 85% ethanol and 15% gasoline not to exceed the lesser of 5% of the cost of the vehicle or \$750. This credit is allowed only if the individual claiming the credit furnishes evidence of the purchase, during the period of time beginning with the date of purchase of such vehicle and ending on December 31 of the next succeeding calendar year, of 500 gallons of such ethanol and gasoline blend as may be required or is satisfactory to the secretary of revenue.

Partnerships and S Corporations: Partners, shareholders, or members should enter on line 5 the percentage that represents their proportionate share of the qualified alternative-fuel expenditures by the partnership or S corporation (enclose computation).

PART A—ALTERNATIVE-FUELED MOTOR VEHICLE OR FUELING STATION INFORMATION

Required Documentation: You must enclose copies of invoices to substantiate the type of alternative-fueled vehicle and the conversion costs claimed in this section.

Check the type of alternative-fuel expenditures made this tax year, then complete the appropriate Section(s). Be sure to enclose the required detailed documentation of expenditures.

SECTION 1 — Gasoline or Diesel Vehicle Conversion

COLUMN A—Enter the date the alternative-fueled motor vehicle was placed in service.

COLUMNS B through F—Enter the required information for each vehicle converted to use an alternative fuel. Use the letter abbreviations in the general information section to the left for type of fuel; if “Other,” please specify. In column (F), enter a “B” for a bi-fueled vehicle, a “D” for a dedicated vehicle, or an “F” for a flexible fuel vehicle.

COLUMN G—Enter the total cost incurred to convert the gasoline or diesel-powered vehicle to use an alternative fuel.

COLUMN H—For property placed in service on or after January 1, 2005, enter 40% of column (G).

COLUMN I—For property placed in service on or after January 1, 2005, enter the lesser of column (H) or the maximum amount shown under Maximum Credit on or after 1/1/2005 in the “General Information” section.

SECTION 2 — Factory-Equipped Vehicle

Required Documentation: Enclose a copy of the sales invoice for each factory-equipped alternative-fueled vehicle purchased. If using the Incremental Cost option, column (G)(1), enclose documentation of the cost of a gasoline or diesel-powered vehicle of the same model.

For all tax years beginning after 12/31/99, if you are using the Cost of Vehicle option, column (G)(2) for an E-85 vehicle, you must enclose proof of purchase of at least 500 gallons of E-85 fuel from date of vehicle purchase to December 31 of the next succeeding calendar year.

COLUMNS A through F—Complete as in Section 1.

COLUMN G—Complete *either* column (G)(1) or column (G)(2).

Column (G)(1) - Incremental Cost. Under this option enter the difference between the manufacturer’s list price of the alternative-fueled vehicle and the manufacturer’s list price of the same model vehicle operated on gasoline or diesel fuel.

Column (G)(2) - Cost of Vehicle. Under this option, enter the total cost of the alternative-fueled vehicle.

PART C — COMPUTATION OF THIS YEAR'S CREDIT

COLUMN H—For property placed in service on or after January 1, 2005, enter 40% of column (G)(1) or 5% of column (G)(2).

COLUMN I—If column (G)(1) is used, enter the lesser of column (H) or the maximum amount shown under Maximum Credit on or after 1/1/2005 in the “General Information” section.

If column (G)(2) is used, enter the lesser of column (H) or \$750.

SECTION 3 — Alternative-Fuel Fueling Station

Required Documentation: Enclose a detailed description of the fueling station, its exact physical location, and a photograph of the completed operation. Also enclose copies of invoices and a detailed schedule showing how you computed the cost of the qualifying alternative-fuel fueling station property shown on lines B through D.

LINE A—Enter the date the alternative-fuel fueling station was placed in service.

LINES B through D—Enter only the cost of the equipment that is directly related to the delivery of an alternative fuel into the fuel tank of a motor vehicle propelled by such fuel. Labor services to install the property, architect and engineering fees and other related expenses may NOT be included.

LINE E—Enter the total of lines B, C, and D.

LINE F—For refueling stations placed in service between January 1, 1996 and December 31, 2004, enter the lesser of line E or \$200,000. For refueling stations placed in service on or after January 1, 2005, and before January 1, 2009, enter the lesser of line E or \$160,000. For refueling stations placed in service on or after January 1, 2009, enter the lesser of line E or \$100,000.

LINE G—For any qualified alternative-fuel fueling station placed in service on or after January 1, 1996 and before January 1, 2005, multiply amount on line F by 50%. For any qualified alternative-fuel fueling station placed in service on or after January 1, 2005, multiply amount on line F by 40%. Also enter this amount on line 3, PART B.

PART B — COMPUTATION OF CREDIT AVAILABLE FOR THIS YEAR'S EXPENDITURES

LINE 1—Enter the amount of credit for gasoline or diesel vehicle conversion from Section 1, line 9.

LINE 2—Enter the amount of credit for factory-equipped vehicle from Section 2, line 9.

LINE 3—Enter the amount of credit for alternative-fueled fueling station from Section 3, line G.

LINE 4—Enter the total of lines 1, 2, and 3. This is your total available credit for this year's expenditures.

LINE 5—Partners, shareholders or members: Enter the percentage that represents your proportionate share in the partnership, S corporation, LLC or LLP. All other taxpayers: Enter 100%.

LINE 6—Multiply line 4 by line 5. This is your share of the credit for the amount expended this tax year.

LINE 7—Enter the amount of carry forward available from the prior year's Schedule K-62. Enclose a copy of the prior year's Schedule K-62. **Note:** A credit may not be carried over after the third succeeding taxable year.

LINE 8a—Add lines 6 and 7 and enter the result.

LINE 8b—Multiply the amount on line 8a by 90% (.90) and enter the result.

LINE 9a—Enter your Kansas tax liability for this tax year. If you are filing more than one (1) credit schedule this year, enter only the amount of tax liability you wish to apply to this credit. The amount entered on line 9a (not line 9b) is the amount of tax liability considered to be “used” when calculating the remaining tax liability to be applied against other credits. **Example:** If your tax liability is \$1,000 (before applying the 90% reduction) and the amount entered on line 9a is \$400, then the amount of tax liability available to apply to any other credit schedules would be \$600.

LINE 9b—Multiply the amount on line 9a by 90% (.90) and enter the result.

LINE 10—Enter the lesser of lines 8b or line 9b. Also enter this amount on the appropriate line of Form K-40, Form K-41 or Form K-120.

If line 9a is less than line 8a, complete PART D.

PART D — COMPUTATION OF CREDIT CARRY FORWARD

LINE 11—Subtract line 9a from line 8a and enter the result. Do not enter an amount less than zero. This is the amount of credit you will have available to enter on next year's Schedule K-62.

Since you have a carry over amount to claim next year, keep a copy of this schedule; it will need to be included with the return and Schedule K-62 you file next year.

TAXPAYER ASSISTANCE

For assistance with the technical aspects of alternative fuels and alternative-fueled motor vehicles and fueling stations, contact:

Alternative Fuels
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604-4027
Phone: (785) 271-3170
Fax: (785) 271-3268
www.kcc.state.ks.us

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

Taxpayer Assistance Center
915 SW Harrison St., 1st Floor
Topeka, KS 66625-2007
Phone: (785) 368-8222
Hearing Impaired TTY: (785) 296-6461

Additional copies of this schedule and other tax forms are available from our office or web site at: www.ksrevenue.org