

17-7501. Definitions. As used in this act:

(a) "Domestic corporation" means any corporation organized under the laws of this state, irrespective of whether such corporation is organized for profit.

(b) "Foreign corporation" means any corporation organized under the laws of any jurisdiction other than this state.

(c) "Articles of incorporation" means the original articles of incorporation filed to create a corporation, but such term also includes the charter, articles of association and any other instrument by whatever name known under which a corporation has been or may be lawfully formed.

(d) "Shareholder's equity" means the sum of: (1) Paid-in capital stock, except that paid-in capital stock shall not include any capital stock issued by a corporation and reacquired by such corporation through gift, purchase or otherwise and available for resale or retirement; (2) capital paid in, in excess of par; and (3) retained earnings, except that any moneys which have been allocated and are payable to the members of any corporation which is organized as a cooperative association or society shall not be included as part of the retained earnings of such corporation for the purpose of this act.

(e) "Shareholder's equity attributable to Kansas" means the shareholder's equity of a corporation multiplied by a percentage which is the average of the following three percentages: (1) The average value of the corporation's real and tangible personal property owned or rented and used in this state during the next preceding tax period divided by the average total value of the corporation's real and tangible personal property owned or rented and used during the next preceding tax period; (2) the total amount of compensation paid by the corporation in this state during the next preceding tax period divided by the total amount of compensation paid everywhere by the corporation during the next preceding tax period; and (3) the total sales of the corporation in this state during the next preceding tax period divided by the total sales of the corporation everywhere during the next preceding tax period. If a corporation has no property or activity mentioned in one of the above factors, the appropriate percentage for that factor is 100%.

(f) "Tax period" means a corporation's taxable year under the Kansas income tax act.

History: L. 1972, ch. 54, § 1; L. 1973, ch. 101, § 1; L. 1991, ch. 76, § 3; July 1.