The 20% Small Business Tax Deduction and Its Big Impact on Kansas

NFIB

Nine out of 10 small businesses face a massive tax hike if the 20% Small Business Deduction is allowed to expire this year.



Making the deduction permanent will benefit Kansas:1

\$568 Million

Increase in Kansas' state GDP each year for the first 10 years

\$1.17 Billion

Increase in Kansas' state GDP each year after 2035

12,000

Jobs created in Kansas each year for the first 10 years

23,000

Jobs created in Kansas *each year after 2035*

And the U.S. economy:1

\$75 Billion

Increase in U.S. GDP each year for the first 10 years

\$150 Billion

Increase in U.S. GDP each year after 2035

1.2 Million

Jobs created in the U.S. each year for the first 10 years

f 2.4 Million

Jobs created in the U.S. each year after 2035

SmallBusinessDeduction.com



Leveling the Playing Field with Tax Rates in Kansas

The Small Business Tax Deduction allows small businesses to deduct up to 20% of their business income, providing relief for Kansas' small business owners.

Without action from Congress, this deduction expires this year while the tax deduction for larger corporations remains.

Kansas' C-Corp Tax Rate Kansas' Small Business Tax Rate

27.5%

45.18%

Federal C-Corp Rate (21%) + KS C-Corp Rate (6.5%)

Federal Top Individual Rate (39.6%) + KS Top Individual Rate (5.58%)

Small Business Economic Impact: Kansas²

Small businesses are the foundation of Kansas' economy, powering job creation and strengthening its communities.

266,000+

583,000+

Small Businesses Statewide

Small Business Employees Statewide

² U.S. Small Business Administration Office of Advocacy, 2024 Small Business Profiles for the States, November 2024, https://advocacy.sba.gov/2024/11/19/2024-small-business-profiles-for-the-states-territories-and-nation/

