**Private Letter Ruling**

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| **Ruling Number:** | **P-2016-005** |

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| **Tax Type:** | **Withholding and Declaration of Estimated Tax** |
| **Brief Description:** | **Rounding of Kansas Withholding Tax** |
| **Keywords:** |  |
| **Effective Date:** | **08/15/2016** |
| **Approval Date:** | **08/15/2016** |

**Body:**

August 15, 2016

XXXXXXXXXX  
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XXXXXXXXXX  
  
Re: Kansas Income Tax  
  
Dear XXXXX  
  
Your correspondence of August 5, 2016, has been referred to me for response. Thank you for your inquiry.  
  
By your e-mail you have requested our advice regarding Kansas income tax. Specifically, your e-mail states:

Our offices had a question come to us on rounding the State of Kansas withholdings. Per the Guide to Kansas Withholding Tax:  
  
“Kansas withholding computed using the percentage method ***May*** be rounded. . .” The question that arose was, since the withholding guide uses the phrase “may be” does this mean that employers have the option of rounding KS withholding taxes? Thanks for any help you can give.

In response to your inquiry, please be advised the answer to your question is “yes”. Employers who are using the percentage method to calculate the amount of tax to be withheld and remitted on behalf of their employees may round the amount to be withheld and remitted to the nearest whole dollar. As you seem to know, the Kansas Withholding Tax Booklet (Rev 10-15) states, on page 6:

**Rounding.**Kansas withholding computed using the percentage method may be rounded. Round to the nearest whole dollar by dropping amounts under 50 cents and increasing amounts from 50 to 99 cents to the next higher dollar. For example, $2.49 becomes $2.00 and $2.50 becomes $3.00.

I trust this information is of assistance. If I can be of further service, please feel free to contact me.  
  
  
JW:jw  
  
*NOTE: This opinion letter is based solely on the facts provided in your request for advice. If material facts or information were not disclosed this letter is null and void. This letter will be revoked without further action by the Department if the statutes, administrative regulations, published revenue rulings, or court decisions that materially affect this opinion are changed.*  
  
  
  
**Date Composed: 09/16/2016 Date Modified: 09/16/2016**