

**“Panasonic’s state-of-the-art EV battery plant marks a bright new era in Kansas. The monumental effort that has gone into every aspect of this project has culminated in this historic day as the plant begins mass production of EV batteries. It’s hard to overstate what Panasonic’s investment means to Kansas and the value of the partnership that made it possible.”**



— Gov. Laura Kelly, July 14, 2025, at the opening of Panasonic Energy’s \$4 billion EV plant in De Soto

**Kansas Dept. of Commerce**  
1000 S.W. Jackson St. Ste. 100  
Topeka, KS 66612  
**David Toland**  
SECRETARY OF COMMERCE  
785-296-3481  
David.Toland@ks.gov

<https://www.kansascommerce.gov>

# Kansas

Pop. (2024): 2,970,606  
Median household income (2024): \$75,514  
Credit Rating: AA- / Stable (ICR)

Pop. growth 2024–2029: 0.07%  
Median age (2024): 38.6  
Right-to-work state: Yes

## LEGISLATIVE & POLICY UPDATE

HB 2291 creates the Regulatory Relief Division (Division) within the Office of the Attorney General to administer the General Regulatory Sandbox Program created by the bill. The program allows businesses to apply for temporary waivers from certain state laws and regulations in order to demonstrate an innovative product or service without obtaining a certification or registration that might otherwise be required by state law. Approved applications provide limited access to the market in Kansas for 24 months, with a possible extension of up to 12 months.

HB 2231, among other provisions, generally changes apportionment of multistate corporation income for tax purposes from a three-factor formula based on sales, payroll and property, to a single-factor formula based on the location of the business’s sales, beginning in 2027. The bill also creates a formula to provide for a possible rate reduction to corporation income tax rates in tax year 2029 and a deferred tax deduction to limit the impact of the change for certain publicly traded corporations.

SB 98 provides a sales tax exemption to certain firms making eligible investments in a qualified data center. The bill exempts sales tax for 20 years on purchases for the development, acquisition, construction and operation of a qualified data center made by a qualified firm, including, but not limited to, costs of data center equipment and other items.



**23<sup>rd</sup>**

Business Tax Climate Rank Change 2025–2026: **+2**



**29<sup>th</sup>**

Higher Ed. R&D Expenditure in \$000s: **\$907,989**



**9<sup>th</sup>**

Number of NCRCs: **122,840** | Percent Improvement 2024–2025: **11.47%**



**35<sup>th</sup>**

2025 Workers’ Comp Index Rate: **0.91**



**19<sup>th</sup>**

Industrial power cost (¢/kWh): **7.73**



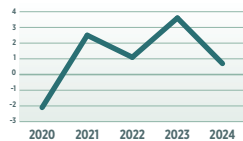
**30<sup>th</sup>**

Total Revenue as Share of Total Expenses, FY 2009–2023: **103.86%**

GDP

**33**

GDP Growth Rate Trend



**2024 GDP**  
(in millions of current US\$)  
**\$181,600**

## PROJECT WATCH

**M**erck Animal Health is investing \$895 million to expand its manufacturing facility in De Soto. The project includes an \$860 million investment in the site’s existing manufacturing facility and a further \$35 million investment in its research and development laboratories. The company says the 200,000-sq.-ft. manufacturing facility project will expand filling and freeze dryer capacity for large molecule vaccines and biologic products.

“Our De Soto, Kansas manufacturing facility is strategically located in the heart of the Animal Health Corridor,” said Richard DeLuca, president, Merck Animal Health, in a release. “This region is renowned for its concentration of animal health companies, fostering an unparalleled ecosystem for innovation, collaboration and industry leadership.

“This investment in our site is designed to increase Merck Animal Health’s ability to meet the growing customer demand for its portfolio of animal biologics products and ensure the company remains at the forefront of innovation in the animal health sector. This initiative also reflects our dedication to advancing animal health and our on-going investment in the communities where we operate.”



Photo courtesy of Merck Animal Health