

**Senate Committee on Assessment and Taxation  
 Testimony in Opposition to Senate Bill 76  
 Presented by Eric Stafford, Vice President of Government Affairs**

**Thursday, March 11, 2021**

Madam Chair and members of the committee, my name is Eric Stafford, Vice President of Government Affairs for the Kansas Chamber. The Kansas Chamber represents small, medium and large businesses of all industry segments across the state. The Kansas Chamber appreciates the opportunity to testify in opposition to Senate Bill 76 which establishes the golden years property tax freeze act.

First, let me state that we do not oppose the opportunity to offer tax relief to Kansans. We do however oppose this policy out of concern that it will lead to higher property taxes for non-qualifying residential and commercial properties.

For the last 17 years, the Kansas Chamber has conducted its CEO poll which surveys 300 business owners from across the state. Businesses are selected randomly from Dunn & Bradstreet with selection representative of the state of Kansas, including, geographical representation, industrial makeup, and the size of the employer. Some might be members of ours. Some are not. The survey is blind in this regard.

Each year we ask whether the sales tax, income tax and property taxes should increase, decrease or remain the same. This year’s survey results, as in years past, were telling.

	<b>Income Tax</b>	<b>Sales Tax</b>	<b>Property Tax</b>
<b><i>Increase</i></b>	<b>8%</b>	<b>9%</b>	<b>1%</b>
<b><i>Decrease</i></b>	<b>41%</b>	<b>34%</b>	<b>60%</b>
<b><i>Stay the Same</i></b>	<b>50%</b>	<b>55%</b>	<b>36%</b>

As you can see, there is a very strong sentiment in the business community to lower the property tax burden, especially considering commercial property is appraised at 25% valuation compared to 11.5% for residential property. Last year, 70% of respondents suggested lowering property taxes. Property taxes have been the most frustrating tax for businesses in recent years as rising valuations and no offset in the mill rate place more pressure on businesses to afford their tax burden.

Our recommendation would be to pass policies that support property tax relief for all Kansans, as the sentiment over the ever-growing property tax burden is not exclusive to the business community. We appreciate the opportunity to testify in opposition to Senate Bill 76 and would be happy to answer questions at the appropriate time.