



Kansas Grain and Feed Association  
Kansas Agribusiness Retailers Association  
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March 25, 2021

To: Senate Committee on Assessment and Taxation  
From: Randy Stookey, Senior Vice President of Government Affairs and General Counsel  
Re: **Joint, Proponent Testimony on Senate Bill 233, increasing sales tax collection thresholds relating to time frames for filing returns and paying sales tax by certain retailers.**

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Chairman Tyson and members of the committee, thank you for the opportunity to provide testimony in support of Senate Bill 233. This testimony is submitted jointly on behalf of Kansas Grain and Feed Association (KGFA), and Kansas Agribusiness Retailers Association (KARA).

KGFA is the state association of the grain receiving, storage, processing and shipping industry in Kansas. KGFA's membership includes over 950 Kansas business locations and represents 99% of the commercially licensed grain storage in the state. KARA is an agribusiness industry trade association whose membership includes over 700 companies across Kansas.

Across Kansas, our member grain elevators and agribusiness facilities contribute to the Kansas economy and provide gainful employment for thousands of Kansans. These industries also function as good corporate citizens, paying millions of dollars annually in property taxes that help support schools and local government.

The ability of our agribusiness members to operate a competitive or profitable business is often determined by the amount of fixed costs they must pay, such as taxes and the administrative costs of compliance with state taxes and regulations.

The proposed legislation would increase the threshold filing amounts for retailers to submit sales taxes to the Department of Revenue. The bill would increase the threshold amounts to \$15,000 for annual filings (\$400 under current law); \$25,000 for quarterly filings (\$4,000 under current law); and to above \$25,000 for monthly filings (above \$4,000 under current law).

We would support this proposed change as good tax policy. We would also support an amendment to the bill that would allow remittance of sales tax on *actual sales receipts* rather than on *estimated sales receipts*, as is currently required by Kansas law.

This bill represents sound public tax policy that supports Kansas business and commerce. For that reason, we stand in support the measure. Thank you for allowing us the opportunity to testify in support of Senate Bill 233. We would respectfully request that the committee pass the bill out favorably.