March 9, 2023



Representative Adam Smith House Taxation Committee Kansas State Capitol - 300 SW 10th St. Topeka, Kansas 66612

Re: Testimony in Opposition to Senate Bill No. 248

Chairman Rep. Adam Smith and Committee Members-

The City of Winfield opposes SB 248 in the current form which removes in whole the local sales tax levies on food, food ingredients and groceries.

The City of Winfield estimates that as much as 30% of our local sales tax comes from the sales tax levies on food, food ingredients and groceries. This is equal to approximately \$1,323,013.20 in revenues that are used to reduce property tax reliance, pay for various capital improvements from streets to parks and to pay for voter approved bonds for the construction of fire-ems and police facilities.

Due to the reliance on this source—particularly for municipal bond payments—the removal would mean we MUST replace the revenue. Left with little choices, the most likely outcome would be the increase of property taxes.

We estimate that the local property tax mill levy would need to be raised 18 mills to compensate for this lost revenue.

We respectfully request you and the committee to Vote NO on SB 248 or amend it so local sales tax levies on food, food ingredients and groceries are made whole again, as is current law.

Sincerely,

Taggart Wall City Manager

> City Manager's Office 200 E. Ninth-PO Box 646 Winfield, KS 67156 620-221-5525 ph 620-221-5590 fax