



**Testimony of Patrick Fucik on behalf T-Mobile Before the
Kansas House Utilities Committee in Support of HB 2798
March 6, 2024**

Chairman Smith and members of the House Committee on Taxation, please consider the following written testimony in support of HB 2798 which would allow certain taxpayers, including wireless telecommunications providers, to elect to use a single sales factor apportionment methodology in determining their income tax liabilities, instead of the current evenly weighted three-factor apportionment.

T-Mobile supports the concept of allowing specified industries with capital intensive businesses and/or high employment levels in Kansas to mitigate the impact of the current income tax apportionment methodology through a single sales factor election. The current three-factor apportionment model weighs a company's payroll, property and sales in the state compared to the company's total payroll, property, and sales in order to determine the portion of that business's income that is attributable to Kansas. The result is that businesses that investment more in Kansas and employ more people with good-paying jobs in Kansas are penalized with a higher apportionment factor thereby resulting in a higher income tax liability. A single sales factor election allows those businesses to look solely to their sales in Kansas, which helps promote economic development within the State rather than such investment being deterred.

T-Mobile supports HB 2798, and other similar legislation pending before the Kansas Legislature, because they help provide businesses, such as ours, that invest heavily and employ large numbers of Kansans with an election to utilize single sales factor apportionment and avoid the potential for an increased income tax liability solely due to a robust presence and investment in the State.

Thank you for your consideration of my testimony.

Patrick Fucik

A handwritten signature in black ink that reads "Patrick R. Fucik".

Director of State Government Affairs