

Tuesday, March 17, 2015

Mister Chairman and members of the committee, my name is Eric Stafford, Vice President of Government Affairs for the Kansas Chamber. The Kansas Chamber appreciates the opportunity to testify in opposition to House Bill 2399 which increases the state sales tax rate from 6.15% to 6.3%.

In December, the Kansas Chamber Board of Directors unanimously approved our 2015 Legislative Agenda which specifically states our position to “oppose any attempts to roll back the tax cuts of 2012 & 2013” and “reduce government spending instead of increasing the cost of doing business through tax increases.”

The Tax Foundation recently released their 2015 Facts & Figures document, ranking all 50 states on a variety of economic metrics. While the individual income tax ranking has improved, Kansas’ Overall Index Rank fell from 20th to 22nd. The overall ranking is calculated by compiling the ranking of the following five areas: Corporate Income Tax, Individual Income Tax, Sales Tax, Unemployment Insurance Tax, and Property Tax.

Kansas still ranks below average on the total tax burden from state and local government per capita, bringing in \$4,347 per person in tax collections. *The Tax Foundation also ranks us as the 9th highest state and local sales tax burden in the nation for 2015* (6.15% state rate with 2.05% avg. local rate for combined 8.20%). Kansas has the 12th highest rate of sales tax collections per capita. As Speaker Merrick stated earlier this year, Kansas does not have a revenue problem. We have a spending problem. Let’s not erase the gains of the past few years by adding to the already high burden on Kansas residents.

Again, we respectfully ask the legislature fully consider a balanced budget based on existing resources before resorting to increasing the burden on Kansas taxpayers. Until we have a clear picture of what the budget looks like after reductions in spending, we cannot accurately say what additional revenue, if any, is needed. Thank you again for the opportunity to speak in opposition to House Bill 2399 and I would be happy to answer any questions.



The Kansas Chamber, with headquarters in Topeka, is the leading statewide pro-business advocacy group moving Kansas towards becoming the best state in America to do business. The Chamber represents small, medium and large employers all across Kansas.