

House Committee on Taxation
Neutral Testimony on House Bill 2235- Reporting for out of state retailers
Presented by Eric Stafford, Vice President of Government Affairs



Tuesday, February 14, 2017

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 as a neutral party to House Bill 2235.

HB 2235 follows efforts by states like Colorado to add reporting requirements to online only retailers who have more than \$100,000 worth of sales in the state but otherwise have no nexus and no legal obligation to collect sales tax.

The Kansas Chamber supports efforts to strengthen e-fairness laws to bring fairness and equity to online only retailers who operate at a competitive advantage over brick and mortar stores. We have heard from members in support of this bill, as well as the Senate version, SB 111, but our feedback was limited so we have not taken a position on these specific proposals at this time.

We are here today simply to ask if this bill moves forward, that it be amended to clarify the definition of a "purchaser." The intent of this legislation is to provide information from a seller on who their individual purchasers are who could potentially owe use tax to the state. However, the definition on lines 23-27 of page 1 are vague and does not clearly specify that a purchaser is an individual.

Thank you for allowing us the opportunity to provide testimony on House Bill 2235 and share our concerns. We would be happy to work with you on clarifying language if the committee elects to pass this bill forward to the next step.



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.