



Travel Industry
Association of Kansas

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House Committee on Taxation
Kelly Peetoom, President
Travel Association Industry of Kansas (TIAK)
Written Testimony in Favor of HB 2513

February 10, 2020

Chairman Johnson and Honorable Committee members,

Thank you for the opportunity to submit written comments in favor of HB 2513 on behalf of our tourism professionals throughout the state of Kansas. HB 2513 proposes to require the collection of sales, use and transient guest tax from marketplace facilitators, which will address long-standing concerns our members have had regarding the growth of third-party marketplace internet sales of lodging and lack of collection of sales and transient guest tax with those sales.

After the 2018 US Supreme Court's *Wayfair* decision, states have been given the authority to collect taxes for online sales by vendors located out-of-state, which includes marketplace facilitators. Specifically, within the tourism industry, there is a growing disparity between the cost of online and in-person lodging bookings due to the lack of tax collections by most marketplace facilitators.

Our members support HB 2513 because it will require the collection of all taxes charged for online lodging bookings-both sales and transient guest tax- by all market facilitators. Since our members rely heavily on transient guest tax as their primary source for funding, the promotion of our local Kansas communities capturing the tax is of the utmost importance to them.

The members of TIAK encourage your consideration of HB 2513 and respectfully request you support its passage. Doing so will assure our tax laws are fairly assessed to **all** room bookings sold in our state and increase both compliance and collections of the taxes legally owed. If you have any questions, please feel free to contact me.

Respectfully submitted,

Kelly Peetoom
2020 President