

February 2, 2021

The Honorable Adam Smith, Chairperson
House Committee on Taxation
Statehouse, Room 185A-N
Topeka, Kansas 66612

Dear Representative Smith:

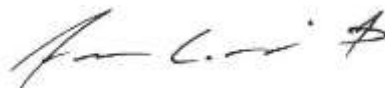
SUBJECT: Fiscal Note for HB 2105 by House Committee on Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2105 is respectfully submitted to your committee.

HB 2105 would establish withholding requirements for certain employees who work in multiple states and determine employer penalties for not complying with these requirements. This bill exempts certain employees who perform employment duties in more than one state from income tax withholding and reporting requirements unless the earnings occurred in the state of the employee's residence, or in a state that the employee performed employment duties for more than 30 days during the calendar year.

The Department of Revenue indicates HB 2105 would have a negligible fiscal effect on State General Fund revenue. The Department indicates that the bill would require \$600 from the State General Fund in FY 2022 to update forms and instructions.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Lynn Robinson, Department of Revenue