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February 14, 2023

Adam Smith, Chair, House Committee on Taxation
Committee Assistant: Lea Gerard

Subject: Written testimony in OPPOSITION to House Bill No. 2061
House Committee on Taxation, February 14, 2023

Dear Chair Smith and members of the Committee on Taxation:

My name is Michael J. Bell. I live in Topeka. I am the president of the Tennessee Town Neighborhood Improvement Association (TTNIA) in Central Topeka (<https://tenntownnia.weebly.com/>). NIAs in Topeka are defined by local ordinance and are bounded areas where at least 51 percent of the residents are at or below 80 percent of Area Family Income, as defined by the federal government. In other words, the TTNIA, just like Topeka's 20 other NIAs, is a low- to moderate-income neighborhood. I have been the TTNIA president since 2014 and represent its residents.

In addition to my duties as the TTNIA president, I also represent Topeka's LMI people and neighborhoods as an at-large member of the Citizen Advisory Council (CAC; <https://www.topeka.org/government/boards-commissions/citizens-advisory-council/#gsc.tab=0>), which essentially is the association of Topeka's NIAs with 3 at-large positions.

I'm a founding board member of the Central Topeka Grocery Oasis (CTGO; <https://www.centraltopekagro.com/>), the 501c(3) founded by eight Central Topeka neighbors to create a new, full-service grocery store in the area to replace the Dillons that closed in February 2016.

I'm a founding member of the Topeka Alliance for Good Government Facebook Group (TAGG; <https://www.facebook.com/groups/888211138560199>), which was created to "address 3 major areas of concern regarding how local government works for its constituents... The 3 areas are keeping government decision making transparent and ethical for Topeka's residents, holding elected and appointed officials accountable to their constituents and ensuring the inclusiveness of Topeka's communities of color in governmental decision making." TAGG initially was created to address community concerns about the process in which our current Topeka Police Department chief was chosen.

And I am a member of the Topeka Housing and Racial Equity Planning Facebook Group (<https://www.facebook.com/groups/130912759179220>).

"The validity of a tax depends upon its nature, and not upon its name."
— Benjamin N. Cardozo, U.S. Supreme Court Associate Justice, 1932 – 1938

I am speaking today in opposition to House Bill 2061 because of the direct impact it will have on the people I represent, including me as I am on a fixed income. Former US Labor Secretary Robert Reich has said it well for many years that a flat tax "... is a fraud. It raises taxes on the poor and lowers them on the rich."

Poor households already “pay a much larger share of their incomes in payroll taxes, sales taxes, and property taxes (directly, if they own their homes; indirectly, if they rent) than do people with high incomes” (Reich). A flat tax would force poor households to pay a larger tax burden as the rich, the very demographic that can actually afford the current tax rates without it negatively affecting their daily living, would be paying less in taxes.

*“The Government that robs Peter to pay Paul can always depend upon the support of Paul.”
— George Bernard Shaw, Nobel Prize-winning Playwright, Essayist, and Critic*

Or, in the alternative (and I suspect this is what is really going on here), a flat tax and its decreased tax revenues (\$1.5 billion per year, according to Every Kansas Family) would be used to justify yet more cuts to an already tattered social safety net that would disproportionately hurt poor people and poor neighborhoods. Why? Kansas has to have a yearly balanced budget. Decreased revenues from a flat tax would be used by those who don’t care about the poor to cut social services to the poor to balance the budget.

Is that who we really are as a state?

Is this really what we want to do just as our state has recovered from catastrophic tax cuts that left us carrying huge deficits, underfunded our schools and led to the state’s credit rating being downgraded?

When it comes to tax policy, we should ask decision makers at least five questions:

1. What will the tax accomplish? The tax will decrease state revenues because it will decrease taxes on the rich.
2. Is the tax necessary? The flat tax is not necessary. The progressive tax system we currently have in place works for taxpayers situated throughout our tax system.
3. Who will the tax hit hardest? Poor people who already are having to make tough, often daily choices about food, child care, health care, medicines, housing, and transportation, among a litany of challenges.
4. Can we live with that? It seems to depend on your socioeconomic and ideological status in our state. The poor people and neighborhoods I represent CANNOT live with that.
5. Do alternatives exist? Yes. Keep the progressive taxing structure we already have.

*“There are two systems of taxation in our country: one for the informed and one for the uninformed.”
— Honorable Learned Hand, US Appeals Court Justice, 1924 – 1961*

Please vote NO on House Bill No. 2061.

Sincerely,

Michael J. Bell
Tennessee Town NIA President
Citizen Advisory Council At-Large Member
Central Topeka Grocery Oasis Founding Board Member
Topeka Alliance for Good Government Facebook Group Founding Member
Topeka Housing and Racial Equity Facebook Group Member