

Approved

Date

2/16/90

MINUTES OF THE House COMMITTEE ON Taxation

The meeting was called to order by Representative Keith Roe at
Chairperson

9:00 a.m./~~p.m.~~ on March 14, 1990 in room 519-S of the Capitol.

All members were present except:

Representative Dean, excused

Committee staff present:

Tom Severn, Research Department
Chris Courtwright, Research Department
Don Hayward, Revisor's Office
Lenore Olson, Committee Secretary

Conferees appearing before the committee:

Representative Elizabeth Baker
George Logan, WIBW & Kansas Association of Broadcasters
John Holmgren, Catholic Health Association of Kansas
Yo Bestgen, Kansas Association of Rehabilitation Facilities
Pat Hubbell, ATSF Railroad and Kansas Railroad Association
T. C. Anderson, Kansas Society of CPA's
Paul Klotz, Kansas Association of Community Mental Health Centers
Ron Smith, Kansas Bar Association
Lucky DeFries, tax attorney
Dan Sevart, Wichita Bar Association
Lynn Scannell, American Advertising Federation
Trudy Aron, Kansas Society of Architects
Terry Humphrey, Kansas Manufactured Housing Association
Mike Reece, AT&T
Glenn Cogswell, American Cancer Society, Kansas Division, Inc.
Lila Paslay, Association of Retarded Citizens of Kansas
Bob Corkins, Kansas Chamber of Commerce and Industry
Kevin Robertson, Kansas Consulting Engineers
Karen France, Kansas Association of Realtors
Bob Storey, Idelman Telemarketing, Inc.
Rosemary Kutz, Kansas Girl Scout Council
Robert Hart, American Association for Advertising Agencies
Ron Goldsmith, BGM Industries, Kansas City
Kevin Allen, Kansas Motor Car Dealers Association

Representative Baker requested a bill regarding Sedgwick County's home rule authority. The intent is to assist in financing an interchange.

A motion was made by Representative Snowbarger, seconded by Representative Smith to introduce the bill requested by Representative Baker. The motion carried.

Chairman Roe instructed the Committee to turn to HB 2858 and HB 3001.

George Logan, Kansas Association of Broadcasters, testified in opposition to HB 2858 and HB 3001, stating that a tax on advertising services would be counter-productive; it would pose administrative problems because of the complexity of the advertising process; and it would do harm to Kansas, our businesses, and our labor force. (Attachment 1)

John Holmgren testified for Sister Ann Marita, St. Francis Hospital and Medical Center, Topeka, in opposition to HB 2858. He stated that she is concerned that this bill could negate the traditional role of the non-profit charitable hospital. (Attachment 2)

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Taxation

room 519-S, Statehouse, at 9:00 a.m. ~~p.m.~~ on March 14, 1990.

John Holmgren testified for LeRoy Rheault, St. Joseph Medical Center, Wichita, in opposition to HB 2858 and HB 3001, stating it is not a fair approach in dealing with institutions that are taking care of patients who cannot afford to pay. (Attachment 3)

Yo Bestgen, KARF, testified in opposition to HB 3001, stating that individuals seeking community facilities services would be jeopardized access to services if programs were unduly burdened by a tax from which they are currently exempt. (Attachment 4)

Pat Hubbell, ATSF Railroad and Kansas Railroad Association, testified in opposition to HB 2858 and HB 3001, stating that he hopes the Committee will reject the elimination of the two exemptions which would hurt the business of repair of railroad rolling stock. (Attachment 5)

T. C. Anderson, Kansas Society of CPA's, testified in opposition to HB 3001, stating that a sales tax on all services disproportionately imposes a heavier burden on low-income individuals. (Attachment 6)

Paul Klotz, Kansas Association of Community Mental Health Centers, testified in opposition to HB 2858 and HB 3001, stating that the dollars that have been voted by the House Appropriations Committee for Mental Health Reform are around \$1 million, which would be totally lost with the passage of these two bills. (Attachment 7)

Ron Smith, Kansas Bar Association, stated he is opposed to HB 3001, and he introduced Lucky DeFries.

Lucky DeFries, Topeka tax attorney, testified in opposition to HB 3001, stating that the area of taxing legal services which is being considered in several other states has not caught on as broad public policy because the administrative problems would be enormous. (Attachment 8)

Dan Sevart, Wichita Bar Association, testified in opposition to HB 3001, stating that there are many difficulties which in their opinion would be virtually insurmountable. (Attachment 9)

Lynn Scannell, American Advertising Federation, testified in opposition to HB 2858 and HB 3001, stating that taxing advertising raises its cost, discourages and inhibits its purchase and leads overall to less advertising. (Attachment 10)

Trudy Aron, Kansas Society of Architects, testified in opposition to HB 3001, stating that it will increase the tax burdens of small businesses more than large businesses because these companies cannot provide the same services a large firm provides internally. (Attachment 11)

Terry Humphrey, Kansas Manufactured Housing Association, testified in opposition to HB 3001, stating that before you reinstate a sales tax on manufactured housing it is very important that you consider what effect this would have on low and moderate income people. (Attachment 12)

Mike Reece, AT&T, testified in opposition to HB 2858 and HB 3001, stating that increasing the cost of telecommunications by the imposition of an additional tax drives that cost up and therefore creates an economic disincentive to locating in Kansas versus bordering states, like Missouri. (Attachment 13)

Glenn Cogswell, American Cancer Society, testified in opposition to HB 2858 and HB 3001, stating it is not good legislative policy and not in the best interests of the state to sweep away all the present exemptions. (Attachment 14)

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Taxation

room 519-S, Statehouse, at 9:00 a.m. ~~p.m.~~ on March 14, 1990.

Lile Paslay, Association for Retarded Citizens of Kansas, testified in opposition to HB 3001, stating the removal of the tax exemption simply compounds the problem for community programs. (Attachment 15)

Bob Corkins, KCCI, testified in opposition to HB 2858 and HB 3001, stating that it is not economically competitive to impose the tax on transactions which most other states do not tax. (Attachment 16)

Kevin Robertson, Kansas Consulting Engineers, testified in opposition to HB 2858 and HB 3001, stating that the providing of a professional service such as engineering is not a final retail transaction (HB 2858) and they oppose HB 2858 due to the provision which reduces the general fund transfer to the highway program. (Attachment 17)

Karen France, Kansas Association of Realtors, testified that they do not either support or oppose HB 3001, but do not believe it is the answer to the existing tax problems. (Attachment 18)

Bob Storey testified for Steve Idelman, Idelman Telemarketing, Inc., in opposition to HB 2858, stating that it will have a devastating effect on their businesses, the telecommunications business in Kansas, and on Kansas employees and citizens. (Attachment 19)

Rosemary Kutz, Kansas Girl Scout Council, testified in opposition to HB 2858, stating that they believe the services provided by the Girl Scout program warrant tax exemptions. (Attachment 20)

Robert Hart, American Association of Advertising Agencies, testified in opposition to HB 2858 and HB 3001, stating that in the advertising business where fierce competition is the norm, a four to five percent tax levied on half the competitors can be devastating to those who must pay the tax. (Attachment 21)

Ron Goldsmith, GBM Industries, testified in opposition to HB 2858 and HB 3001, stating that taxing janitorial services would further reduce the attractiveness of businesses locating in Kansas.

Kevin Allen, Kansas Motor Car Dealers Association, testified that they do not have a position on HB 2858 and HB 3001, but they do support additional sales tax revenue as a means of addressing the property tax system. (Attachment 22)

Written testimony was provided by:
Alan F. Alderson, attorney (Attachment 23)

Chairman Roe concluded the hearings on HB 2858 and HB 3001.

The Chairman instructed the committee to turn to HCR 5052.

Representative Vancrum reviewed the basic provisions of HCR 5052 and requested that two amendments be made to this bill.

A motion was made by Representative Vancrum, seconded by Representative Reardon, to amend HCR 5052 regarding livestock and farm improvements as shown on (Attachment 24). The motion carried.

A motion was made by Representative Vancrum, seconded by Representative Reardon, to favorably report HCR 5052 as amended. The motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Taxation,
room 519-S, Statehouse, at 9:00 a.m./~~p.m.~~ on March 14, 1990.

The Chairman instructed the Committee to turn to HB 3000.

A motion was made by Representative Snowbarger, seconded by Representative Harder to pass HB 3000. The motion carried.

A motion was made by Representative Fuller, seconded by Representative Grotewiel, to introduce a bill to require local units to have voter approval if they wish to eliminate or combine a municipal department. The motion carried.

The meeting adjourned at 11:55 a.m.

HOUSE COMMITTEE ON TAXATION

DATE 3/14/90

NAME	ADDRESS	REPRESENTING
Lucinda Huntington	1521 W. Kansas	Ks. for Fair Taxation
Ken Baker	Topeka	Buch Merrill
William R. Webb	"	well-t-appeal Ks for Fair Taxation
Allen France	"	KAR
Kevin Lorentson	"	Ks Consulting Engineers
David Anita Metz	"	KFFT
Henry H. Metz	Topeka	KFFT
Bill Fuller	Manhattan	Kansas Farm Bureau
Chuck Stuart	Topeka	United Liberal Admins
Bob Storey	Topeka	Johnston Manufacturing Inc.
Glenn D. Casswell	Topeka	Am. Cancer Society, Ks. Div.
Lisa Kalay	Topeka	Assoc. for Retarded Citizens
Go Bestgen	Topeka	KARF
Bill Broton	Wichita	Storken Dev Center
John H. Holmgren	Topeka	Catholic Health Assn. of Ks.
Carl Carpenter	Great Bend	Centel
Jerry Connors	Law	KGEIS
Bob Corkins	Topeka	KCCI
Dee Likes	Topeka	KLA
Dud Grant	"	KCCI
Elizabeth F. Taylor	"	KS Girl Scouts KS BARBERS
David Holmquist	Topeka	U.S. Sen. Ks.
Rosemary Kutz	Topeka	Ks Girl Scouts

TESTIMONY

Before the House Committee on Television

By

George Logan, WIBW TV

Legislative Chairman

Kansas Association of Broadcasters

March 13, 1990

RE: HB 2858 and
HB 3001

Mr. Chairman, Members of the Committee, I am George Logan, general manager of WIBW TV, and legislative chairman for the Kansas Association of Broadcasters (KAB). The KAB represents a membership of 120 radio stations and 21 television stations in Kansas.

We appreciate the opportunity to appear before you to present our concerns with HB 2858 and HB 3001.

Our interest in HB 2858 relates to the proposed removal of the exemption language found on page 14 of the bill, lines 33 through 35, which states, "...except as otherwise provided in this act, all sales of services rendered by an advertising agency or licensed broadcast station or any member, agent or employee thereof..."

As you may recall, this language was added in 1988, in response to a Department of Revenue regulation that would have assessed a sales tax on advertising agency services and on the production of broadcast commercials. The language was necessary to maintain the status quo and was revenue neutral. The DOR regulation, had it been allowed to go into effect, would have set new tax policy by taxing services that had never been taxed in the past.

We have no objection to striking the language, but only if the Department of Revenue does not interpret that to mean that our professional services would then become taxable. If by striking this language, DOR is left with the impression that these services are taxable, we respectfully request that the language remain intact.

* * * * *

HB 3001 and its companion in the Senate (SB 656), would tax the gross receipts received from the rendering of services at retail in Kansas. We

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Attachment 1

Therefore assume it would include a tax on not only broadcast production but also on the sale of advertising time.

All of you are aware of the Florida experiment which HB 3001 appears to mirror. About six months after Florida's services tax went into effect, a special session of the Florida Legislature repealed it. Florida's ad tax brought on a barrage of negative publicity, a great deal of confusion, painful turmoil and political upheaval, as well as real economic losses to the state in the way of departing businesses and curtailed advertising.

Arizona and Iowa are examples of other states that have rescinded a tax on advertising, finding it to be counter-productive.

Tax measures which raise the cost of advertising will hurt our economy. Every dollar spent on advertising generates significantly more than a dollar in sales. If ad budgets decrease in proportion to the tax, the end result will be less advertising, therefore fewer sales. Jobs and salaries will suffer. In Florida, the 1987 Wharton Econometrics Study on that state's tax, predicted a loss of 46,000 jobs and \$2 billion in personal income as a result of the tax over a two-year period.

An ad tax would place Kansas businesses which provide advertising services at a competitive disadvantage with their competitors in other states. In Florida, over 30 large national advertisers cancelled or withdrew their advertising orders while the tax was in effect. Broadcasters lost over \$85 million in income, not to mention the economic losses to the state.

Small market broadcast stations in Kansas, many of which are currently operating in the red or marginally at best, would be severely impacted by an ad tax. Advertising is the ONLY source of revenue that enables a radio and television station to provide international, national, state and local information to your constituents. Local radio and television stations are primary sources of news, information and entertainment for all Kansans. Placing a tax on the services that Kansas broadcasters provide, will diminish their ability to serve the public.

tax on advertising would send a negative message about our business climate. Advertising is a cost of doing business which is reflected in the retail price of a product and on which a sales tax is collected. And an ad tax would place a disproportionate burden on small and emerging firms, many of which operate with a marginal profit or at a loss, and whose advertising comprises a larger portion of their total operating budget.

Aside from the adverse economic impact, an ad tax would be difficult to administer due to the complexity of the advertising business. The advertising process is highly fragmented and often involves interstate activities. A single advertising transaction might involve an ad agency, a market research firm, a video production house, a jingle company, a talent company, a recording studio, a media representative, a newspaper, a local television and radio station, and a national broadcast network...entities that can be located in a variety of states. Determining who pays how much on what transactions would be a monumental task at best.

To summarize, a tax on advertising services would be counter-productive; it would pose administrative problems because of the complexity of the advertising process; and it would do economic harm to our state, our businesses, and our labor force.

Attached are copies of letters from two KAB member stations located on the Kansas/Missouri line. Their concerns relate to lost business to Missouri competitors in the event their services become taxable in Kansas.

Thank you for your consideration.

KOAM-TV



 A CBS Affiliate

MAILING ADDRESS: HWY 69 & LAWTON ROAD • P.O. BOX 659 • PITTSBURG, KS 66762 (316) 231-0400 OR (417) 624-0233
JOPLIN BUREAU: 745 RANGELINE, JOPLIN, MO 64801 (417) 623-6111
PITTSBURG FAX: (417) 624-3158, JOPLIN FAX: (417) 623-6700

February 26, 1990

Ms. Harriet Lange
Executive Director
Kansas Association of Broadcasters
818 Merchants National Bank
Topeka, Kansas 66612

Dear Harriet:

I am very concerned regarding the proposed taxation of time sales as well as production by the State of Kansas.

As you are aware we are located on the state line and compete against two stations located in Missouri. Any tax on my service would result in my being placed in a position of competitive disadvantage relative to these Missouri stations. Anticipated revenue shortfalls from this disadvantage would in the short term necessitate cut backs in the service we now provide Southeast Kansas and in the long term would most likely lead to our moving our company from Kansas to Missouri to seek remedy from this unlevel competitive environment.

Harriet, approximately 70% of our total local billing originates out of Missouri, as Joplin is the retail trade center for this market. There is simply no way we could effectively compete if we were required to collect Kansas sales tax in Missouri. Therefore, we strongly oppose, as a matter of survival, the imposition of any tax on our services.

Best regards,

A handwritten signature in cursive script that reads "Donald J. Hicks".

Donald J. Hicks
General Manager

DJH:ss



PO BOX 5555 KANSAS CITY, MISSOURI 64109 0155 913/677-5555
FAX (913) 677 7204

JOHN C. ROSE
Vice President
& General Manager

February 23, 1990

Ms. Harriet J. Lange
Executive Director
Kansas Association of Broadcasters
818 Merchants National Bank
Topeka, Kansas 66612

Dear Harriet:

I understand that there is talk of introducing a Senate bill (I believe S.B. 656) which would put a tax of 4.25% on the sale of advertising time and production. I hope you are doing everything possible to keep this from getting off of the ground as it would be a disaster for us.

We compete with four other commercial television stations in the greater Kansas City marketing area and such a tax would give them a four and a quarter percent advantage over us. All of this simply because we are located several blocks on the Kansas side of the state line.

As you may recall, Kansas City, Missouri was very unhappy when our station moved over to the Kansas side leaving our transmitter and tower on the Missouri side but bringing our one hundred twenty plus employees to Kansas. At times this is still an issue and a problem for us. We certainly don't want any more penalties or problems associated with a Kansas location and frankly, a tax of that magnitude would provide an incentive to move back.

We certainly have no desire to do that but I want you to fully understand the magnitude of the problem that this tax could cause for us. Kansas City has not been a good advertising market for several years and this would significantly hurt our station.

Sincerely,

John C. Rose

JCR:gr

cc: File



ST. FRANCIS HOSPITAL AND MEDICAL CENTER

TESTIMONY

TAXATION COMMITTEE
Keith Rowe, Chairman
March 13, 1990

I am Sister Ann Marita, President of St. Francis Hospital and Medical Center in Topeka and Past President of the Catholic Health Association of Kansas. I am a member of the Sisters of Charity of Leavenworth who own and operate eight hospitals in the the western part of the United States, two of those hospitals being in Kansas.

We are concerned that House Bill 2858 could negate the traditional role of the non-profit charitable hospital. Private non-profit institutions constitute 60% of our nation's community hospitals (non federal, short-term, general hospitals) and 70% of all community hospital beds. We are perhaps the only democratic nation left in which private institutions not controlled by government are deeply involved in activities vital to the public good.

Last year, St. Francis Hospital and Medical Center provided over \$1.7 million dollars of free care to patients who did not have insurance and had no way of paying their health care bills. This does not include those patients who could pay their bills but did not, nor does it include those Medicaid and Medicare patients for whom Medicare and Medicaid do not pay full costs.

In 1989, St. Francis Hospital spent approximately \$17,451,000 for supplies, utilities, leases, maintenance contracts, and repairs. Capital payments amounted to \$5,360,000 for a total of \$22,811,000. A 4.25% tax rate on these amounts would necessitate the hospital paying an additional \$969,468, which would be passed on to those who pay for health care. This would be an acceleration of health care costs.

Testimony
March 13, 1990
Page 2

Hospitals are concerned about increased costs just as businesses are - the insurance premiums for our own personnel are increasing. It is difficult to pass along increased costs to paying patients as we did before Medicare and Medicaid and certain other insurers mandated a fixed prospective payment. We are tax exempt because we are non-profit hospitals and perform charity care; we provide service to the community often without charge; and we provide a major share of uncompensated care which is increasing annually. Federal Tax Code 501(c)3 has recognized for many years the charitable non-profit status of hospitals throughout this country and because of this recognition we have been able to assist communities and the poor. Fifty to sixty percent of our patients are on fixed governmental charges, such as Medicare and Medicaid. You are aware of the problems with state funding for Medicaid and Medicare. Who is to take care of the patients when the hospitals do not have enough resources to care for them? If we had to pay sales taxes in the amount of one million dollars in 1989, where would we have found the money to give the free care that was given, not to mention the subsidization of Medicaid patients that were cared for.

Hospitals may be the only major service in our society that traditionally contributes a major part of its income to the needy, the handicapped, and the elderly, while caring for a large acutely ill population.

There is a fundamental problem in financing care for the medically indigent and there is no American consensus on where the responsibility lies. Responsibility has recently been shifting from federal government to state and local government and to private payers. Where state and local appropriations have not kept pace with the need, the burden falls disproportionately to providers. Hospitals have tried to keep up by shifting (from non-paying to paying patients and the insurers). Those hidden costs are often incorrectly interpreted as "inflationary" increases in room rates and other charges.

Testimony
March 13, 1990
Page 3

Early in the 18th century, our country made a decision that American hospitals would meet certain social, welfare and health needs as voluntary, private-sector, non-profit organizations by such exemptions as sales, property and income taxes. To change this acknowledgement of our non-profit role in this pluralistic society would be to turn our backs on what we do for those less fortunate. We respectfully request that you reject the proposed removal of sales tax exemption from non-profit charitable hospitals.

7210R

Holmgren

CATHOLIC HEALTH ASSOCIATION

TESTIMONY

Proposed Removal of Sales Tax Exemption
From Non-Profit Charitable Hospitals

Per: HB 2858
HB 3001

March 13, 1990

I am LeRoy Rheault, President and Chief Executive Officer of St. Joseph Medical Center, Wichita, Kansas.

Today I would like to discuss my concerns about HB 2858 and HB 3001 and their possible impact on St. Joseph Medical Center.

St. Joseph Medical Center is a 501C(3) tax exempt corporation. HB 2858 and HB 3001 would change that status for St. Joseph Medical Center and other not-for-profit hospitals with respect to sales tax. HB 2858 would tax certain purchases we make, such as, hospital construction, construction supplies, capital equipment and materials used in remodeling projects. HB 3001 includes services as well as all of the above. We estimate that if applied to these purchases in 1990, with the exception of a tax on services, it would cost the patients of St. Joseph Medical Center \$900,000. A sales tax on services would be even larger. This would decrease our ability to purchase all we need for replacement, upgrading of facilities and equipment and delay the addition of any new technology. We are very concerned about these type of proposals to tax our patients at a time when the state is considering the elimination of MediKan which would cause us to provide care to more people for no payment. Our charity care would significantly increase.

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Attachment 3

Testimony
LeRoy Rheault
Page 2

The hospitals in this state have always taken care of the poor and will continue to do so, but it takes a great deal of money. To obtain this money, we must "tax" the paying patients of the hospital who must bear this burden because there is no recognition in the state that the care of the indigent is the responsibility of all citizens.

Proposals such as, HB 2858 and HB 3001 ask the people who will become ill to bear that burden. I believe it would truly be a mistake to tax hospitals whose sole purpose is to care for the sick and injured, particularly when we are being faced with reductions in MediKan, reductions in promised payments from Medicare, and the discounting to HMOs and PPOs, and at a time when the indigent patient population is growing and we are being asked to treat more and more patients for no payment.

In summary, we oppose HB 2858 and HB 3001 because we believe it is not a fair approach in dealing with institutions that are taking care of patients who cannot afford to pay. We respectfully ask that this bill not be advanced. Thank you for your attention.

Thank you.

LeRoy E. Rheault



Kansas Association of Rehabilitation Facilities

Jayhawk Tower • 700 Jackson • Suite 802
Topeka, Kansas 66603 • 913-235-5103

TO: House Taxation Committee
FROM: Kansas Association of Rehabilitation Facilities
RE: HB 3001: An Act Relating to Taxation
DATE: March 13, 1990

1.0 Position Statement

The KARF opposes HB 3001 which removes the exemption of "all sales of tangible personal property or services, including the renting and leasing of tangible personal property, purchased directly on behalf of a community-based mental retardation facility or mental health center."

2.0 Justification

Not for profit community facilities provide services for people with mental retardation, physical and developmental disabilities. These programs have a 501c3 tax status. Their mission is to provide services resulting in employment, training and community living for individuals who otherwise would not be able to participate in such activities in their communities.

These programs have been exempt from sales of tangible personal property or services as they function for educational and charitable purposes. Funding for community mental retardation programs comes from federal, state, county and local contributions. Through these funding sources meaningful work and training environments are created so that individuals with disabilities may become as independent as they are capable. Many of those served who were once tax users are today tax payers. Approximately 25% of the 6000 people in community programs were once in state institutions.

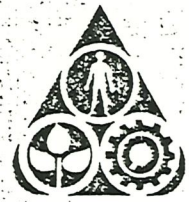
Currently community facilities have a waiting list of 1100 individuals seeking their services. These individuals, who now wait two and three years for services, would be further jeopardized access to these services if programs were unduly burdened by a tax from which they are currently exempt. Every dollar of tax collected by the State would reduce the opportunity of services for those on the waiting list. In addition, it could increase the need for services in state institutions at a much higher cost to the state. This seems to work directly against the intent of the State to reduce the size of state institutions.

The KARF would ask you to reject the removal of this tax exemption for community mental retardation programs.

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Attachment #

SALES TAX ASSESSMENT
REPAIR OF RAILROAD ROLLING STOCK



KANSAS DEPARTMENT OF ECONOMIC DEVELOPMENT

Attachment 5

3/14/90

SALES TAX ASSESSMENT

REPAIR OF RAILROAD ROLLING STOCK

There are thirteen (13) firms within the state that are directly involved with the Repair of Railroad Rolling Stock. These firms represent a full range of employment sizes with the smallest being a (B) category company on up to the largest which is a (G) category company. The following table gives the firm size distribution:

<u>No.</u>	<u>Code</u>	<u>Definition</u>
1	(B)	10 to 49 Employers
5	(C)	50 to 99 Employers
2	(D)	100 to 249 Employers
3	(E)	250 to 499 Employers
-	(F)	500 to 999 Employers
2	(G)	Over 1000 Employers

Based upon information developed through the course of the investigation on this subject, the total estimated employment averages approximately 5,375 employees each month. If the two firms that are in fact owned and operated by railroads (AT & SF Railway Shops and MKT Railroad) are removed from that total, the total employment is still estimated to be about 3,795 individuals.

The industrial category (SIC 37) which this activity would be a part of represents about a fourth (1/4) of the manufacturing employment (approximately 200,000) within the state. Approximately 50,000 individuals are involved in transportation equipment manufacturing (SIC 37). The majority (approximately 30,000) of the individuals are employed in the manufacture and repair of aircraft equipment and parts.

While the number of individuals involved in manufacturing and repairing railroad equipment appears to be considerably smaller than that of aircraft manufacturing, the 5,375 employees do represent about three percent (3%) of the state's overall manufacturing employment. Noticeable also is the fact that employment is scattered among a greater number of firms than in the aircraft portion of this industrial category. This provides for greater stability in this industry in that each individual firm has less of an impact upon the state's overall economy. Given the volatile nature of the aircraft industry, it is important to achieve this stability.

It would appear that Kansas' centralized location would provide the state with considerable advantages for attracting additional railroad equipment repair firms. Combining this fact with the availability of individuals skilled in the metal working industry, the State of Kansas appears to have most of the ingredients necessary to attract additional firms in this particular industrial area.

Currently, it is estimated that the average monthly payroll would be about \$5.75 million. There is no way to estimate total dollars of sales for the thirteen (13) firms, but it has been indicated to be around \$125 million.

LEAVENWORTH STEEL, INC. (C)
Box 295, 1604 S. Spruce
Coffeyville, KS 67337
Pres.: O. F. Longerbeam
Phone: 913/371-1441
Railroad Cars & Repairs

M-K-T RAILROAD (E)
Box 287, Parsons 67357
Pres: R. N. Whitman
Phone: 316/421-1197
Railroad Equipment

ROCKWELL INTERNATIONAL (G)
(Metal Casting Div.)
Box 188, Atchison 66002
Gen. Mgr: Richard J. Bruggen
Phone: 913/367-2121
Rail Transportation Equipment

AT & SF RAILWAY SHOPS (G)
N. E. Atchison & Branner, Topeka 66616
Supt. of Shops: Rod S. Cantwell
Phone: 913/235-0041
Freight Cars, Passenger Cars

BERWIND RAILWAY SERVICE CO. (B)
Box 326, Twin Rivers Industrial Park
Neodesha 66747
Supt: Jack E. Goodwin
Phone: 316/325-3950
Repairing and Cleaning of Railroad Tank Cars

THE DARBY CORPORATION (E)
1st & Walker, Kansas City 66110
Chmn. of Bd.: Harry Darby
Phone: 913/371-1441
Railway Freight Cars (New, Rebuilt & Repaired)

TOPEKA RAILWAY EQUIPMENT, INC. (C)
Bldg. 627, Topeka Air Ind. Park
Pauline 66619
Mailing: Box 19093, Topeka 66619
Pres: M.W. Stillings
Phone: 913/862-0226
Rail Cars (Repair, Remanufacturing, Rebuilding,
Modification, Paintings, Parts Manufacturing)

UNION TANK CAR CO. (C)
Box 511, El Dorado 67042
Manager: Adolph B. Byrnas
Phone: 316/321-1980
Repair & Rebuilding of Railroad Tank Cars

U.S. RAILWAY EQUIPMENT CO. (C)
(Subs. Evans Products Co.)
Box 188, 2601 N. Hoover Rd.
Junction City 66441
Plt. Mag: Robert Brotherton
Phone: 913/762-4330
Rail Car Repair & New Rail Car Assembly.

AEROQUIP CORP. (GUSTIN-BACON DIV.) (D)
(Subs. Libbey-Owens-Ford Co., Toledo, Ohio)
Box 927, Lawrence 66044
Gen. Mgr: J. L. Price
Phone: 913/841-4000
Vehicular Equipment Safety Brakes, Railroad Equipt. (Ex

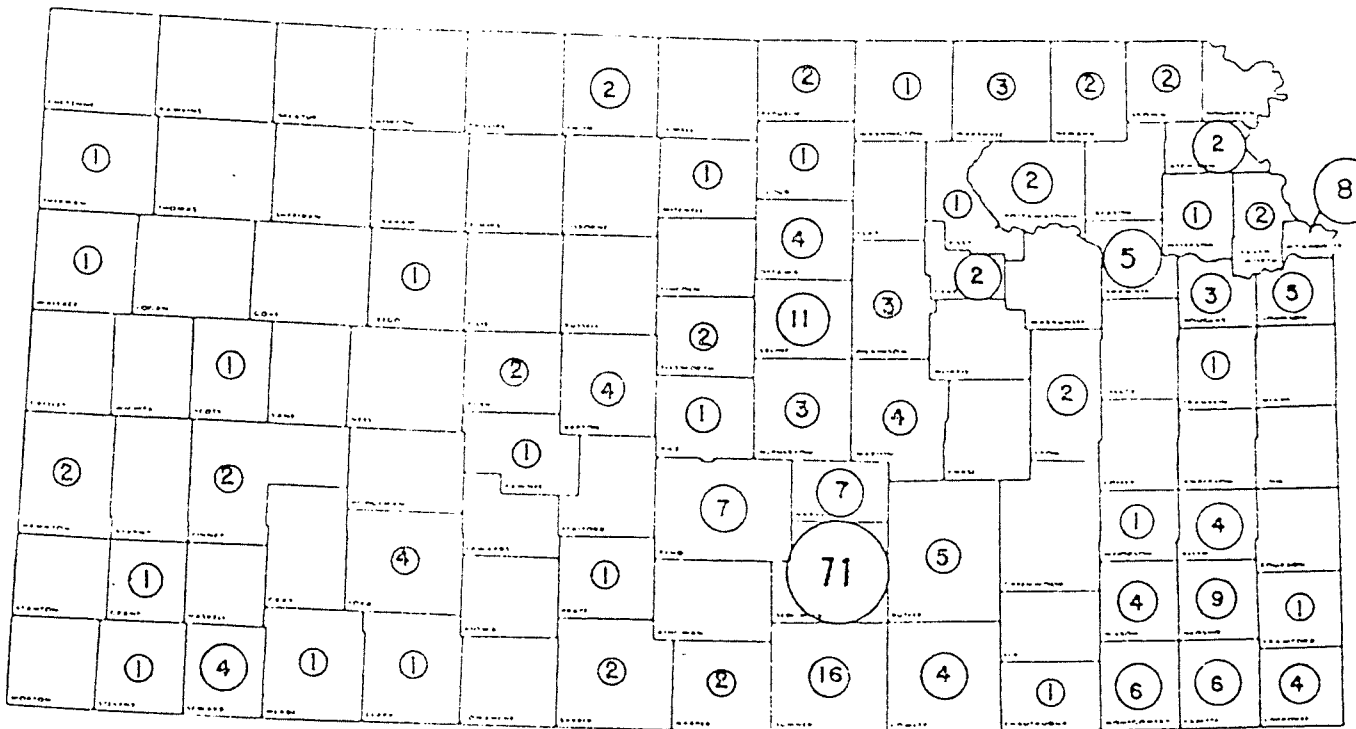
KANSAS CITY STRUCTURAL STEEL CO. (E)
2100 Metropolitan, Kansas City 66105
Exec. V.P. & Gen. Mgr: Robert H. Dill
Phone: 913/831-1234
Steel instructural, fabricated for buildings, bridges,
& power plants, plate work, steel service center),
Overhead traveling cranes, Gantry cranes, Monorail
systems.

UNIT RAIL ANCHOL CO. (C)
(Div. Varlen Corp.)
2604 Industrial St., Atchison 66002
Mgr: Terry M. Demmon
Phone: 913/367-7200
Rail Anchors. (EX.)

EXHIBIT

MAP 29

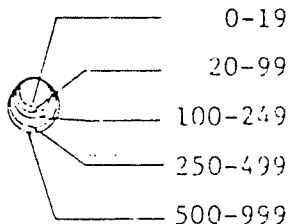
TRANSPORTATION EQUIPMENT (SIC Major Group 37)



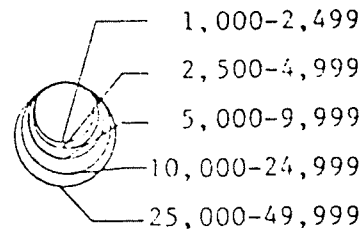
STATEWIDE:

FIRMS 254
EMPLOYEES 40,532

Number of Employees



Number of Employees



Numerals Inside
Circle Indicates
Number of Firms

Transportation Equipment

Transportation equipment is the largest manufacturing category in Kansas. It employs over 40,000 people or almost 25% of the total number of persons employed in all manufacturing activities in Kansas. Three-fourths of the employment is located in Sedgwick County where over 25,000 people are involved in aircraft production. The average weekly wage in 1976 was \$224, about \$20 per week above the state average. Value added per employee was \$22,876 in 1972.

Maps 30 and 31 give a breakdown of the larger product categories.

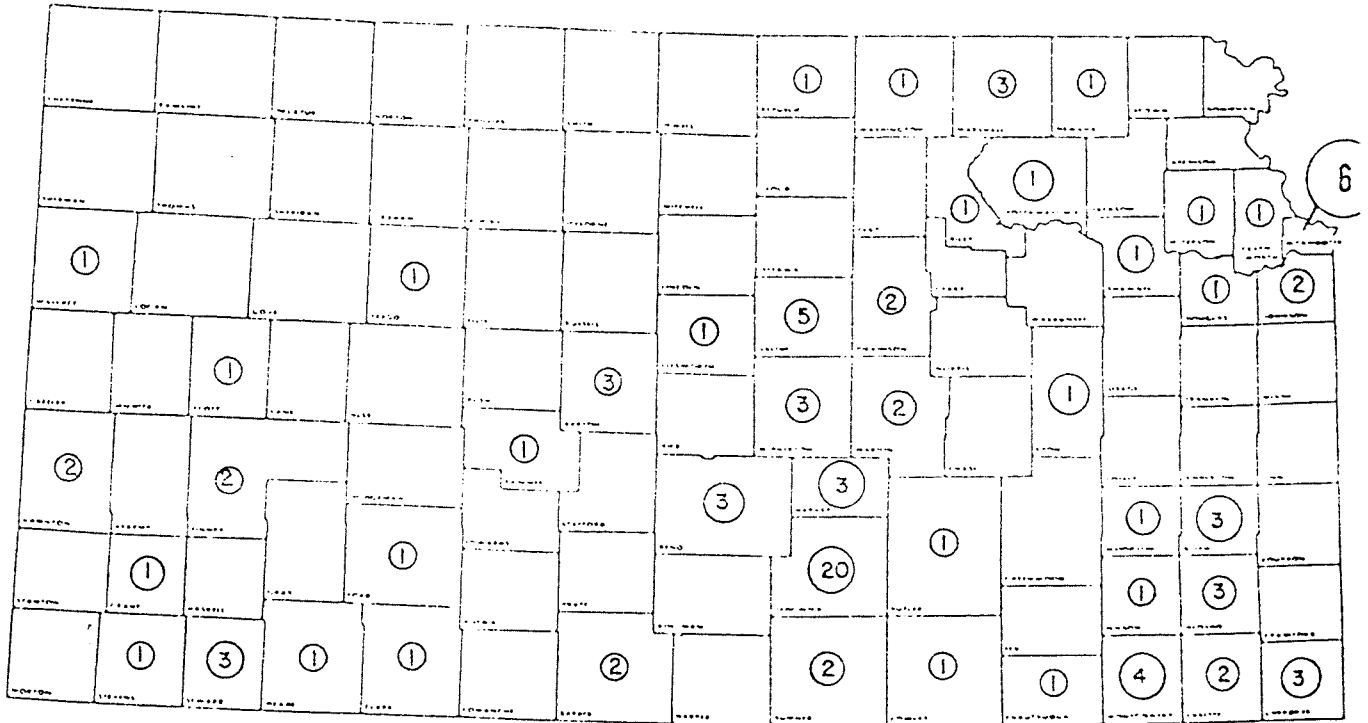
SOURCE: *Kansas Manufacturing Atlas*, KVED, 1978.
Employment Figures are for 1976.

EXHIBIT

MAP 30

MOTOR VEHICLES AND EQUIPMENT

(SIC Four-Digit Groups 3711, 3713, 3714, 3715)

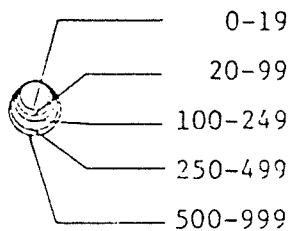


STATEWIDE:

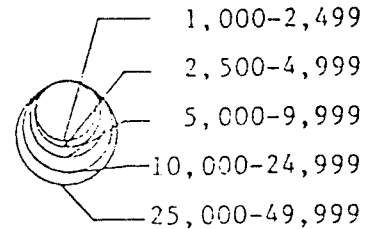
FIRMS 103
EMPLOYEES 7,852

Numeral Inside
Circle Indicates
Number of Firms

Number of Employees



Number of Employees



Motor Vehicles and Equipment

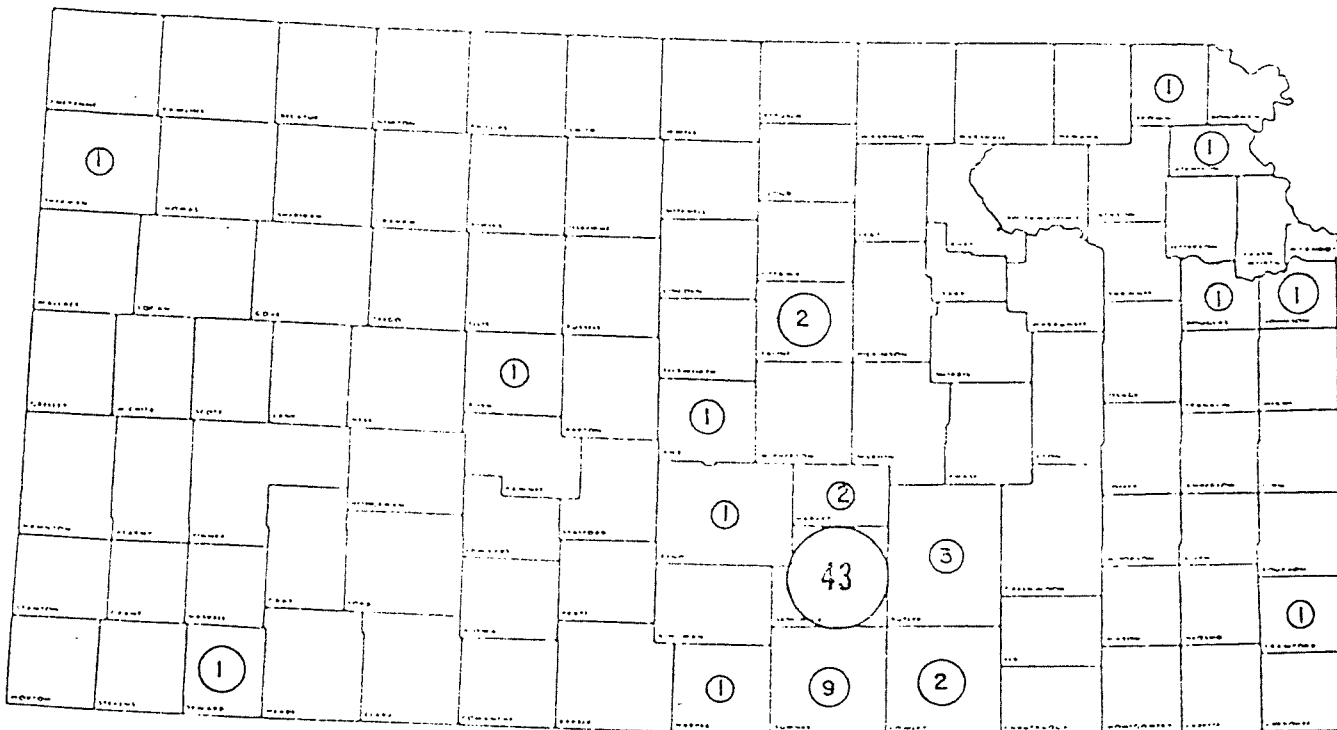
Plants making autos, truck bodies, truck trailers and parts and accessories are located in 46 counties. Most of the employment is located in Wyandotte County where the General Motors plant is located. General Motors is the largest firm in this category since it employs over 5,000 people.

SOURCE: Kansas Manufacturing Atlas, KDED, 1978
Employment Figures are for 1976.

EXHIBIT

MAP 31

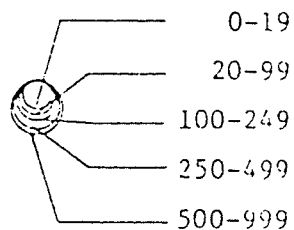
AIRCRAFT AND PARTS (SIC Four-Digit Groups 3721, 3724, 3728)



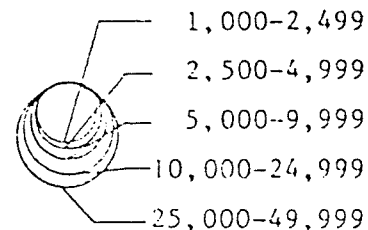
STATEWIDE:

FIRMS 72
EMPLOYEES 30,213

Number of Employees



Number of Employees



Numeral Inside
Circle Indicates
Number of Firms

Aircraft and Parts

This category has fluctuated widely from a high of 48,000 employees in 1957 to a low of 17,000 as recently as 1971. In 1976, employment averaged a little over 30,000. One reason for the decline between 1957-71 was the cut-back in spending for military contracts. Hopefully, with the greater emphasis on general aviation, this industry will stabilize. Most of the aircraft production is in Sedgwick County. Some of the largest firms in Kansas are located in Wichita. These would include Beech, Boeing, Cessna and Gates Learjet. Cessna also has plants located in Reno and Cowley County and is the largest manufacturing employer in Kansas.

The average weekly wage in the aircraft industry was \$230 in 1976.

Source: Kansas Manufacturing Atlas⁴¹, KDED, 1978
Employment figures are for 1976

517

STATEMENT TO MEMBERS OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE
IN SUPPORT OF SENATE BILL NO. _____

The Department of Revenue, State of Kansas, has recently attempted through statutory interpretation to impose a sales tax on the repair of railroad rolling stock, even though prior administrations have determined that the repair of rolling stock was exempt from the sales tax.

For many years sales tax was not imposed on the repair of railroad rolling stock in the state of Kansas. In late 1973, during an audit of our records by the Department of Revenue, State of Kansas, we were informed by the auditor that we might be assessed tax on work we performed in the repair of railroad rolling stock that was shipped to locations in Kansas for loading, but that repaired rolling stock shipped out of the state of Kansas would not be subject to the sales tax. However, no action was taken at that time.

On May 21, 1974, we sent a letter to Mr. Harold Arnold, Director of Taxation, State of Kansas, concerning this matter and requesting a meeting with the Director.

We then received a letter dated August 27, 1974, from the office of the Secretary of Revenue, signed by Mr. William N. Lacy, Attorney, stating the position of the office of the Secretary of Revenue, regarding this matter. The letter stated that sales tax, pursuant to K.S.A. 1973 Supp. 79-3503(p), was applicable to labor service charges for the repair of railroad rolling stock where accepted delivery was within the state of Kansas. The letter

further stated that repaired rolling stock shipped to the customer out of the state of Kansas, but temporarily stopped within the state of Kansas for loading, would not be subject to sales tax on the labor charges.

On January 30, 1979, we wrote the Department of Revenue, State of Kansas, transmitting a copy of Mr. Lacy's letter of August 27, 1974, and advising that we had no further evidence from the state of Kansas of a change since Mr. Lacy's letter.

We then received a letter dated February 1, 1979, from the Department of Revenue, signed by Alan F. Alderson, Attorney. This letter stated that Mr. Lacy's letter correctly reflected the opinion of the office of the Department of Revenue as it was at the time Mr. Lacy's letter was written, but that since April 12, 1977, with the Amendment of subsection (p) of K.S.A. 79-3603, it had been the position of that office that labor services performed on railroad rolling stock "is subject to sales tax since the service has its situs in Kansas."

Copies of the above letters are attached.

Accordingly, we have been invoicing the sales tax to our customers but they are refusing to pay the tax. We are in a dilemma in that we understand we are not, by law, permitted to pay the tax but we are supposed to collect the tax from our customers and pay it to the state of Kansas. We cannot afford to merely absorb the tax ourselves because this type of work is highly competitive and it would place an unfair burden on us to absorb the tax. If the sales tax is assessed on the repair of railroad

business and will soon eliminate this industry in Kansas. Our customers will have their railroad rolling stock repaired in states where the tax is completely exempt or the tax is exempt for railroad rolling stock that is delivered out of the state. Most often railroad rolling stock that is repaired is delivered out of the state.

It is projected that in the next five years the repair of railroad rolling stock in Kansas will result in approximately \$125,000,000.00 to be infused in the state of Kansas. The imposition of the sales tax in Kansas will cause this industry to be lost to surrounding states with the consequent loss of hundreds of jobs for home owners and heads of families in Kansas.

The expeditious repair of railroad rolling stock is vital to the grain and other agricultural interests in Kansas and if the repair of railroad rolling stock industry is forced out of the state of Kansas by assessment of a sales tax, the consequent delay in the repair of railroad rolling stock would be disastrous.

Our companies, The Darby Corporation, Leavenworth Steel, Inc. and Darby Railway Cars, Inc., have been engaged in the railroad car repair business for many years -- Darby Corporation for over thirty years, Leavenworth Steel, Inc., for over fourteen years and Darby Railway Cars, Inc. for over twenty-five years. Our facilities for railroad car repair work are located in Kansas City, Kansas, Leavenworth, Kansas and Coffeyville, Kansas. Throughout the years we have steadily improved our facilities for this work to the point that it has become the major portion of our business. We have an investment of several million dollars in

our facilities and we have planned continuing improvement and additional investment in our facilities and to continue making jobs for Kansas people.

The greater Kansas City area is served by twelve important railroads and the repair of railroad rolling stock in this area is an important industry. Just a few years ago there were approximately 40 railroad rolling stock repair facilities such as ours in the entire United States. Now there are about 200 such facilities, twelve of which are in Kansas. Many thousands of railroad cars each year traverse the nearly 9,000 miles of railroad trackage in the state of Kansas. Our facilities and others similar to ours are constantly on standby to help the carriers keep their railroad rolling stock fleet operating, whether it be minor repairs or repairs to wrecked cars. As an example of how important this repair work is to our total operations and how important we are to the industry, we repaired approximately 700 railroad cars in 1978 and approximately 800 cars in 1979, and our volume is increasing.

The proposed sales tax is actually assessed against our customers -- we are supposed to collect the tax. As an example of why we will lose our customers, a typical railroad car that we recently repaired was billed to our customer in the amount of \$4,177.62, to which we added \$104.97 tax, making the total billing \$4,282.59. Accordingly, for every \$100,000.00 billings to our customers for railroad rolling stock repair work, it would be necessary for us to add approximately \$2,500.00 in taxes. Certainly our customers are not going to pay this penalty when they can have the work done without this penalty, in surrounding states.

5-12

If our companies are forced out of business because of the imposition of a sales tax on the repair of railroad rolling stock, the loss to the state of Kansas of the amount of sales tax would be far less than the loss to the state of Kansas of corporate and personal income taxes.

In addition to providing jobs for Kansas people, we purchase a large amount of material and supplies from Kansas Industries. The loss of our business to these industries would also be a loss to the state of Kansas.

We not only serve those carriers who maintain their own repair shops, but we serve those carriers who do not have their own repair shops. While the carriers who maintain their own repair shops do not pay this sales tax on the work that they perform, those carriers who do not have their own repair facilities are dependent upon outside industry such as ours and would have the additional burden of paying a sales tax on the work performed on their cars in the state of Kansas.

In order to resolve this sales tax controversy, an amendment has been prepared to K.S.A. 79-3603(q) as amended, as follows:

"(q) a tax at the rate of three percent (3%) upon the gross receipts received for the service of repairing, servicing, altering or maintaining tangible personal property which when such services are rendered is not being held for sale in the regular course of business, and whether or not any tangible personal property is transferred in connection therewith; except that no tax shall be imposed upon the materials used and upon the services of repairing, servicing, altering, maintaining, manufacturing, remanufacturing, or modification of tangible personal property used by carriers

of persons or property in interstate or foreign commerce
under authority of the laws of the United States. The tax
imposed by this subsection shall be applicable to the services
of repairing, servicing, altering or maintaining an items
of personal property which has been and is fastened to,
connected with or built into real property;"

The carriers engaged in ground interstate transportation
should have the same sales tax exemptions given to carriers engaged
in air transportation under the provisions of K.S.A. 79-3606(g)
as amended by §1, Chapter 327 of the 1979 Session Laws.

In order for our companies and this industry to survive
in Kansas, it is urgent that the proposed amendment be adopted
as quickly as possible.

Harry Darby

February 18, 1980

STATEMENT TO MEMBERS OF THE SENATE ASSESSMENT AND TAXATION COMMITTEE
IN SUPPORT OF SENATE BILL NO. 716

Gentlemen:

My name is Leonard G. Beauchamp International Representative, Research and Education Department of the International Brotherhood of Boilermakers Iron Ship Builders, Blacksmiths, Forgers and Helpers, A.F.L.-C.I.O., which is headquartered in Kansas City, Kansas.

Our organization represents approximately 400 employees at three facilities engaged in the repair of railroad rolling stock in the state of Kansas. The recent attempt by the Department of Revenue, State of Kansas to impose a sales tax on the repair of railroad rolling stock has caused our organization and our membership employed in the railcar repair industry in the State of Kansas a great deal of concern.

The railcar repair industry is a rapidly growing industry in Kansas as well as nationally. The demand for new railcars has exceeded supply and therefore the importance of maintaining and repairing existing railroad rolling stock has increased dramatically. Projections indicate that the demand in the railcar repair industry will continue to increase. This increasing demand will enable current railcar repair facilities to expand employment to meet these needs as well as attract business to locate new facilities in Kansas to capture some of the expanding market.

The current demand in this industry has provided employment opportunities to our members and the employees of the other ten facilities in the state. The projected demand will mean increased employment and economic security to our members and their families.

While the prospects for this industry and our memberships' related employment opportunities in Kansas appear bright, the imposition of the sales tax looms as a dark shadow over this otherwise bright and optimistic economic scene.

The railcar repair industry is a highly competitive industry. The thirteen facilities in Kansas engaging in this industry are in competition with similar facilities in neighboring states. This is not a captive market for the Kansas facilities and therefore customers are able to be selective as to which company in this geographic area receives the contract to repair their railcars. The states bordering Kansas namely; Iowa, Missouri, Oklahoma, Nebraska, and Colorado do not have a sales tax on the repair of railroad rolling stock.

According to state law, the sales tax on railcar repair would have to be paid by the customer. As an example; if a customer would compare two competitive bids on the repair of a railcar, one from a Kansas facility and one from a facility in Missouri, the customer would have to pay an additional 3% tax to do business in Kansas. It would therefore seem reasonable to assume, if given a choice, the customer in this example would select the facility outside of Kansas. The sales tax, in this situation, acts as a penalty upon the customer to do business in Kansas.

It is apparent that if the sales tax is imposed on the repair of railcars, it will cause an exodus of this business from Kansas to neighboring states. This in turn will bring a decline in employment in the industry resulting in layoffs for our members, and decreased income tax revenue for the state of Kansas.

Our organization therefore supports Senate Bill Number 716 amending the Kansas Retailers' Sales Tax Act; exempting " (aa) All sales of materials and services used in the repairing, servicing, altering, maintaining, manufacturing, remanufacturing, or modification of tangible personal property used by carriers of persons or property in interstate or foreign commerce under authority of the laws of the United States."

This amendment will enable the companies employing our membership to maintain and attract new business and thereby provide jobs for our members and income tax revenue to the state of Kansas.

Leonard A. Beauchamp

VENDOR PURCHASES BY VENDOR, BY CITY, BY STATE
DURING 1989

JANUARY 20 1990
F 50

VENDOR	CITY	STATE	VENDOR	CITY	STATE
--------	------	-------	--------	------	-------

FARMERS COOP GR	ABBYVILLE	K
ABILENE AUTO PA	ABILENE	K
ABILENE RENT-AL	ABILENE	K
AGL SUPERIOR SE	ABILENE	K
B RADIATOR SERV	ABILENE	K
BILL'S TEXACO	ABILENE	K
CITY CAB	ABILENE	K
DICKINSON COUNT	ABILENE	K
DICKINSON COUNT	ABILENE	K
DICKINSON COUNT	ABILENE	K
DON'S TIRE AND	ABILENE	K
DOMS TIRE & SUP	ABILENE	K
FAULKNER WELDIN	ABILENE	K
H & H REPAIR	ABILENE	K
HELM REFUSE	ABILENE	K
MODERN PLUMBING	ABILENE	K
PIONEER FARM AN	ABILENE	K
RAY'S APCO SERV	ABILENE	K
ROBSON OIL COMP	ABILENE	K
ROBSON OIL COMP	ABILENE	K

VENDOR PURCHASES BY VENDOR, BY CITY, BY STATE
DURING 1989

JANUARY 27 1990
P 51

VENDOR	CITY	STATE	VENDOR	CITY	STATE
WIETERS BROTHER	ABILENE	KS	SLAVEN ENTERPRI	ARKANSAS	C KS
BRENDA ALLEN	ALTOONA	KS	THE BRYANT HARD	ARKANSAS	C KS
J. FRANK, INC.	AMERICUS	KS	TICKEL REFRIGER	ARKANSAS	C KS
ANTHONY FARMERS	ANTHONY	KS	TWO RIVERS CONS	ARKANSAS	C KS
CHRISTY'S WELDI	ANTHONY	KS	TYLER PRODUCTIO	ARKANSAS	C KS
GENE MARTIN LP	ANTHONY	KS	UNITED AUTO ELE	ARKANSAS	C KS
HARPER CO WEED	ANTHONY	KS	WALDECK FERTILI	ARKANSAS	C KS
HAZEL'S SHEET M	ANTHONY	KS	WALDECK OIL COM	ARKANSAS	C KS
JUSTICE BATTERY	ANTHONY	KS	WESTON RENTALS	ARKANSAS	C KS
NELSONS CAFE	ANTHONY	KS	WOODS LUMBER CO	ARKANSAS	C KS
PAT'S WELDING	ANTHONY	KS	ATCHISON AUTO P	ATCHISON	KS
BERRY CONSTRUCT	ARGONIA	KS	AYERS AUTO SUPP	ATCHISON	KS
BOTKIN GRAIN CO	ARGONIA	KS	BEVERLY LUMBER	ATCHISON	KS
CITY OF ARGONIA	ARGONIA	KS	BFR ROCK QUARRY	ATCHISON	KS
FARMERS AGRI SE	ARGONIA	KS	BROMLEY & SONS	ATCHISON	KS
WHITE'S UPHOLST	ARGONIA	KS	BROMLEY AND SON	ATCHISON	KS
BOOGAARTS	ARK CITY	KS	CARRIGAN LUMBER	ATCHISON	KS
DILLONS	ARK CITY	KS	CONSUMER S OIL	ATCHISON	KS
A C MATTRESS CO	ARKANSAS	C KS	CONSUMERS OIL C	ATCHISON	KS
ARK CITY GLASS	ARKANSAS	C KS	DILLON TIRE AND	ATCHISON	KS
ARK CITY STEEL	ARKANSAS	C KS	DON'S RADIATOR	ATCHISON	KS
ARKANSAS CITY C	ARKANSAS	C KS	FIRESTONE STORE	ATCHISON	KS
ARKANSAS CITY S	ARKANSAS	C KS	LINCOLN GRAIN C	ATCHISON	KS
BAILLYS FARM AN	ARKANSAS	C KS	MARLATT CONSTRU	ATCHISON	KS
BOWMAN'S PLUMBI	ARKANSAS	C KS	PAOLUCCI GROCER	ATCHISON	KS
CARTER/TOUSLEY	ARKANSAS	C KS	PAOLUCCI RESTAU	ATCHISON	KS
CARTERS AUTO PA	ARKANSAS	C KS	PIPER PLUMBING	ATCHISON	KS
CLARK CZAPLINSK	ARKANSAS	C KS	THAYER SUPPLY C	ATCHISON	KS
D L JACKSON	ARKANSAS	C KS	ATTICA APCO	ATTICA	KS
DALE ENTERPRISE	ARKANSAS	C KS	DARK OIL COMPAN	ATTICA	KS
FRED BARNES WEL	ARKANSAS	C KS	AUGUSTA SAW AND	AUGUSTA	KS
GEORGE'S	ARKANSAS	C KS	AUGUSTA TIRE AN	AUGUSTA	KS
HAWKINS AUTO SE	ARKANSAS	C KS	BUTLER COUNTY F	AUGUSTA	KS
HOMELAND STORES	ARKANSAS	C KS	HARRY P. WEIR	AUGUSTA	KS
HUTCHINSON FLEC	ARKANSAS	C KS	JARVIS AUTO SUP	AUGUSTA	KS
JARVIS AUTO SUP	ARKANSAS	C KS	JUSTIN MITCHELL	AUGUSTA	KS
JERRY'S DONUTS	ARKANSAS	C KS	L A KNEBLER CON	AUGUSTA	KS
K MART	ARKANSAS	C KS	L AND L TIRE CO	AUGUSTA	KS
K.S. CZAPLINSKI	ARKANSAS	C KS	L.A. KNEBLER CO	AUGUSTA	KS
L G PIKE CONSTR	ARKANSAS	C KS	LEE'S GLASS	AUGUSTA	KS
LAWN AND LEISUR	ARKANSAS	C KS	MILLER PARTS CO	AUGUSTA	KS
LEACH FIRE EQUI	ARKANSAS	C KS	SHRYOCK AMOCO	AUGUSTA	KS
MID-WEST FLECTR	ARKANSAS	C KS	SHRYOCK STANDAR	AUGUSTA	KS
MIKE GROVES OIL	ARKANSAS	C KS	SOUTHWIND OIL C	AUGUSTA	KS
MIKE GROVES OIL	ARKANSAS	C KS	SPURGEON CARPET	AUGUSTA	KS
MILLER TIRE AND	ARKANSAS	C KS	T AND J ELECTRI	AUGUSTA	KS
MILLER'S METRO	ARKANSAS	C KS	TRIPLE A BUILDE	AUGUSTA	KS
MOONLIGHT CLEAN	ARKANSAS	C KS	54 MOTOR SERVIC	AUGUSTA	KS
POSTMASTER	ARKANSAS	C KS	B AND V PRINTIN	BASEHOR	KS
RAKIE'S OIL CO	ARKANSAS	C KS	PTL AUTO REPAIR	BASEHOR	KS
RAMSEY'S AUTO P	ARKANSAS	C KS	CITY OF BAZINE	BAZINE	KS
ROB CARROLL'S S	ARKANSAS	C KS	SUMNER COUNTY F	BELLE PLAI	KS
SHERWIN WILLIAM	ARKANSAS	C KS	BELLE PLAINE AU	BELLE PLAI	KS

VENDOR PURCHASES BY VENDOR, BY CITY, BY STATE
DURING 1989

JANUARY 27 1990
PA 32

VENDOR	CITY	STATE
CITY OF BELLE P	BELLE PLAI	KS
HARBER'S ICE CR	BELLEVILLE	KS
REPUBLIC COUNTY	BELLEVILLE	KS
FARMWAY COOP IN	BELOIT	KS
BARSCH CORPORAT	BERRYTON	KS
BROWN TERMITE C	BERRYTON	KS
E4 EXCAVATING,	BERRYTON	KS
ASSOCIATED DESI	BONNER SPR	KS
BERKEL & COMPAN	BONNER SPR	KS
BERNING TIRE IN	BONNER SPR	KS
COLEMAN IMPLEME	BONNER SPR	KS
MULTI SYSTEMS I	BONNER SPR	KS
SOUTHWEST STEEL	BONNER SPR	KS
BURLINGAME CONC	BURLINGAME	KS
DONALD G KIOUS	BURLINGAME	KS
JONES TREE SERV	BURRTON	KS
MC CLURE'S EQUI	CANEY	KS
RED MAPLE RESTA	CANEY	KS
CITY OF CARBOND	CARBONDALE	KS
RON'S SERVICE I	CASSODAY	KS
THE GAS KAN CON	CASSODAY	KS
THE FARMERS CO-	CASTLETON	KS
ALTA'S & STAN'S	CHANUTE	KS
CHANDLER OIL CO	CHANUTE	KS
CHANUTE AUTO PA	CHANUTE	KS
CHANUTE IMPLEME	CHANUTE	KS
CHANUTE LP-GAS	CHANUTE	KS
CHANUTE'S RENT	CHANUTE	KS
CIRCLE K AUTO P	CHANUTE	KS
CITY OF CHANUTE	CHANUTE	KS
CLEAVER FARM AN	CHANUTE	KS
CLEAVERS FARM S	CHANUTE	KS
COMFORT CONTRAC	CHANUTE	KS
CONSOLIDATED OI	CHANUTE	KS
DENISON INCORPO	CHANUTE	KS
FRED'S TIRE SER	CHANUTE	KS
GRAY LUMBER INC	CHANUTE	KS
HARRY BYERS & S	CHANUTE	KS
HOME APPLIANCE	CHANUTE	KS
HUBBLE ENTERPRI	CHANUTE	KS
JAYHAWK GLASS	CHANUTE	KS
JOHN HOUSTON PL	CHANUTE	KS
K-K ELECTRIC IN	CHANUTE	KS
K-K ELECTRIC, I	CHANUTE	KS
KAISER/ESTECH F	CHANUTE	KS
KEN'S RADIATOR	CHANUTE	KS
KUSTOM ELECTRON	CHANUTE	KS
MARTIN TRACTOR	CHANUTE	KS
MERLE KELLY FOR	CHANUTE	KS
MYERS GENERATOR	CHANUTE	KS
NAFF ACE HARDWA	CHANUTE	KS
NAPA AUTO PARTS	CHANUTE	KS
NEELY BATTERY C	CHANUTE	KS

VENDOR	CITY	STATE
NEWS-STANDARD P	CHANUTE	KS
OIL FLOW MFG	CHANUTE	KS
OIL PATCH PUMP	CHANUTE	KS
OLSON HEATING &	CHANUTE	KS
PLATTNER WELDIN	CHANUTE	KS
ROLLOW'S SMALL	CHANUTE	KS
TAYLOR'S ICE DO	CHANUTE	KS
WESTERN DRILLIN	CHANUTE	KS
YOUNG'S WELDING	CHANUTE	KS
ZIMMERMAN ELECT	CHANUTE	KS
QUINTEN D. YOUN	CHENEY	KS
CITY OF CHERRYV	CHERRYVALE	KS
GENES 66	CHERRYVALE	KS
NETONS	CHERRYVALE	KS
BURNS & PICKLE	CIMARRON	KS
CHARLES BURNS	CIMARRON	KS
CIMARRON COOPER	CIMARRON	KS
CIMARRON MOTOR	CIMARRON	KS
GRAIN GROWERS C	CIMARRON	KS
GRASSER OIL COM	CIMARRON	KS
SMITH'S WELDING	CIMARRON	KS
STEPHENS LUMBER	CIMARRON	KS
THOMAS IMPLEMEN	CIMARRON	KS
GRAY COUNTY NOX	CIMARRON	KS
INTERIOR SERVIC	CINCINNATI	KS
CENTER ENGINEER	CLAY CENTE	KS
CLAY COUNTY WEE	CLAY CENTE	KS
FARMERS UNION C	CLAY CENTE	KS
CLOUGH OIL COMP	COFFEYVILL	KS
DOLLAR TIRE STO	COFFEYVILL	KS
DON VINING RENT	COFFEYVILL	KS
FUNK MANUFACTUR	COFFEYVILL	KS
HARRY KEITH & S	COFFEYVILL	KS
KANSAS BEARING	COFFEYVILL	KS
PLATTNER WELDIN	COFFEYVILL	KS
TAYLOR CRANE &	COFFEYVILL	KS
TRI-STATE ELECT	COFFEYVILL	KS
ABRAM READY MIX	CONCORDIA	KS
BOYDS INCORPORA	CONCORDIA	KS
CITY OF CONCORD	CONCORDIA	KS
CLOUD COUNTY CO	CONCORDIA	KS
CLOUD COUNTY WE	CONCORDIA	KS
DOUBLE CIRCLE A	CONCORDIA	KS
DOUBLE CIRCLE F	CONCORDIA	KS
GERALD'S BODY S	CONCORDIA	KS
JOHNSTON SUPPLY	CONCORDIA	KS
KLING MOTOR CO	CONCORDIA	KS
KRIER MOWER & E	CONCORDIA	KS
MARTIN TRACTOR	CONCORDIA	KS
MID-WEST LUMBER	CONCORDIA	KS
PELTIER FOUNDRY	CONCORDIA	KS
POSTMASTER	CONCORDIA	KS
RITE-WAY LINEN	CONCORDIA	KS

VENDOR PURCHASE BY VENDOR, BY CITY, BY STATE
DURING 1989

JANUARY 23- 1990
PA 3

VENDOR	CITY	STATE	VENDOR	CITY	STATE
SKYLINE ""66" S	CONCORDIA	KS	KEY PRINT OFFIC	DODGE CITY	KS
KOEHNS SERVICE	COPELAND	KS	KLEIN'S SURVEYI	DODGE CITY	KS
CHASE COUNTY NO	COTTONWOOD	KS	LARRY'S MOWER S	DODGE CITY	KS
DIEKER OIL COMP	COTTONWOOD	KS	MAUPINS TRUCK P	DODGE CITY	KS
KANSAS GRAPHICS	COTTONWOOD	KS	MEAD BUILDING C	DODGE CITY	KS
PEACOCK OIL CO	COTTONWOOD	KS	NORTHEND DISPOS	DODGE CITY	KS
STANDARD SERVIC	COTTONWOOD	KS	OK TIRE INC	DODGE CITY	KS
TRAYER OIL COMP	COTTONWOOD	KS	POSTMASTER	DODGE CITY	KS
MORRIS COUNTY	COUNCIL GR	KS	RAM LIMITED	DODGE CITY	KS
NEOSHO CONSTRUC	COUNCIL GR	KS	RAM LTD	DODGE CITY	KS
HOARD OIL COMPA	COURTLAND	KS	RAY OMO INCORPO	DODGE CITY	KS
GREAT PLAINS WH	DE SOTO	KS	SILVER SPUR LOU	DODGE CITY	KS
CENTRAL MANUFAC	DERBY	KS	SOUTH DODGE 66	DODGE CITY	KS
HERSHEY READY M	DERBY	KS	STANION WHOLESA	DODGE CITY	KS
HIDDEN LAKES	DERBY	KS	STEWART PLUMBIN	DODGE CITY	KS
INSTANT TIRE SE	DERBY	KS	SUPERIOR FENCE	DODGE CITY	KS
KEELER SEPTIC S	DERBY	KS	TED'S LOCK SERV	DODGE CITY	KS
WAYMAN OIL DIST	DERBY	KS	THE T.M. DEAL L	DODGE CITY	KS
CITY OF DESOTO	DESOTO	KS	TURN-A-ROUND	DODGE CITY	KS
STEVE'S MEAT MA	DESOTO	KS	WESSEL IRON & S	DODGE CITY	KS
A-1 GLASS COMPA	DODGE CITY	KS	WESTERN BRAKE A	DODGE CITY	KS
A-1 RADIATOR SE	DODGE CITY	KS	WINANS OIL COMP	DODGE CITY	KS
AMERICAN ELECTR	DODGE CITY	KS	WINNIE'S INC	DODGE CITY	KS
B R C BEARING C	DODGE CITY	KS	MORAN IMPLEMENT	DOVER	KS
BEHEE'S INC	DODGE CITY	KS	ATCHISON COUNTY	EFFINGHAM	KS
BIG A AUTO PART	DODGE CITY	KS	AUTO TRUCK SERV	EL DORADO	KS
BIG A AUTO PART	DODGE CITY	KS	BADWEY OIL COMP	EL DORADO	KS
BRENT MAGQUIRK	DODGE CITY	KS	BIG A SUPPLY CO	EL DORADO	KS
BROCE CONSTRUCT	DODGE CITY	KS	BUTLER COUNTY W	EL DORADO	KS
CHRIS TRACTOR W	DODGE CITY	KS	CITY OF EL DORA	EL DORADO	KS
CONTEMPORARY TO	DODGE CITY	KS	EL DORADO CAB C	EL DORADO	KS
D.S. & D. ELECT	DODGE CITY	KS	ELDON RUCK	EL DORADO	KS
DILLONS #1	DODGE CITY	KS	HOME LUMBER AND	EL DORADO	KS
DODGE CITY AUTO	DODGE CITY	KS	INTERNATIONAL P	EL DORADO	KS
DODGE CITY CONC	DODGE CITY	KS	JAHNEY TRACTOR	EL DORADO	KS
DODGE CITY COOP	DODGE CITY	KS	LEWIS & WEST, I	EL DORADO	KS
DODGE CITY FARM	DODGE CITY	KS	M AND M FUEL CO	EL DORADO	KS
DODGE CITY FIRE	DODGE CITY	KS	NAPA AUTO PART	EL DORADO	KS
DODGE CITY MEAT	DODGE CITY	KS	P AND T MACHINE	EL DORADO	KS
DODGE CITY OFFI	DODGE CITY	KS	PREWIT SEPTIC T	EL DORADO	KS
DODGE CITY RADI	DODGE CITY	KS	ROY VICKERY	EL DORADO	KS
FOLEY TRACTOR C	DODGE CITY	KS	RUSH PLUMBING A	EL DORADO	KS
FORD COUNTY ERU	DODGE CITY	KS	SILVER PLUMBING	EL DORADO	KS
FORD COUNTY LAN	DODGE CITY	KS	SKELGAS	EL DORADO	KS
FORD COUNTY WEE	DODGE CITY	KS	STEVE'S HEATING	EL DORADO	KS
GREAT WESTERN T	DODGE CITY	KS	VIC'S GLASS AND	EL DORADO	KS
HAROLD LUCAS AN	DODGE CITY	KS	WIEBE TIRE & SU	EL DORADO	KS
HILTS INCORPORA	DODGE CITY	KS	GRABER BROTHERS	ELBING	KS
INTERSTATE BATT	DODGE CITY	KS	BANKS CONSTRUCT	EL DORADO	KS
J-A-G CONSTRUCT	DODGE CITY	KS	DEMO SALES, INC	EL DORADO	KS
JB'S MOBILE WAS	DODGE CITY	KS	JANNEY'S NAPA	EL DORADO	KS
K & M TOOL & EQ	DODGE CITY	KS	GORE INC	ELKHART	KS
K AND M TOOL &	DODGE CITY	KS	NUSSER OIL COMP	ELKHART	KS

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VENDOR	CITY	STATE
ROBERTSON TANK	ELKHART	KS
THE ELKHART COO	ELKHART	KS
LEBBIN OIL AND	ELLINWOOD	KS
THE GREAT BEND	ELLINWOOD	KS
ELLSWORTH COUNT	ELLSWORTH	KS
AMERICAN ELECTR	EMPORIA	KS
BARNETT TANK AN	EMPORIA	KS
BECK'S TIRE INC	EMPORIA	KS
BLEVINS ELECIRI	EMPORIA	KS
BLUESTEM FARM &	EMPORIA	KS
BLUESTEM FARM A	EMPORIA	KS
BOB CRAWFORD, I	EMPORIA	KS
BONEBRAKE FORD	EMPORIA	KS
BRECKS TIRE INC	EMPORIA	KS
BURNAP BROS INC	EMPORIA	KS
C H HUMPHREYS	EMPORIA	KS
CENTRAL POWER P	EMPORIA	KS
CLINE AUTO SUPP	EMPORIA	KS
COFFMAN CONSTRU	EMPORIA	KS
DAVE HOLLOND	EMPORIA	KS
DAVIDSON'S PLUM	EMPORIA	KS
DIDDE OFFICE SU	EMPORIA	KS
EMPORIA CONSTRU	EMPORIA	KS
EMPORIA GLASS C	EMPORIA	KS
EMPORIA LOCK AN	EMPORIA	KS
EMPORIA RENTAL	EMPORIA	KS
FIRE SAFE EXTIN	EMPORIA	KS
FLINT HILLS TIR	EMPORIA	KS
GALLAGHER'S INC	EMPORIA	KS
GALLAGHER'S J N	EMPORIA	KS
GET-N-GO	EMPORIA	KS
HAHN RENTAL AND	EMPORIA	KS
HANSON KIMMAL F	EMPORIA	KS
HAROLD'S WELDIN	EMPORIA	KS
HOME LUMBER AND	EMPORIA	KS
HORTON'S AUTOMO	EMPORIA	KS
HOSPITALITY HOU	EMPORIA	KS
IBT INCORPORATE	EMPORIA	KS
INDUSTRIAL BEAR	EMPORIA	KS
J. W. TRUCKING	EMPORIA	KS
JIM'S CUSTODIAL	EMPORIA	KS
JONES HEATING &	EMPORIA	KS
KANSA CORPORATI	EMPORIA	KS
LONGHORN RESTAU	EMPORIA	KS
LYON COUNTY TRE	EMPORIA	KS
MARK II CORPORA	EMPORIA	KS
MCKINZIE SCHEND	EMPORIA	KS
MODERN AIR COND	EMPORIA	KS
MORGAN SUPPLY I	EMPORIA	KS
MUCKENTHALER IN	EMPORIA	KS
OXYGEN SERVICE	EMPORIA	KS
PENNY'S CONCRET	EMPORIA	KS
PLUMBING BY SPE	EMPORIA	KS

VENDOR	CITY	STATE
POSTMASTER	EMPORIA	KS
S & S OIL & PRO	EMPORIA	KS
S & S SERVICE C	EMPORIA	KS
S AND S OIL AND	EMPORIA	KS
SANTA FE INN	EMPORIA	KS
SCHAEFER EQUIPM	EMPORIA	KS
SKELGAS INC	EMPORIA	KS
SPARKS SALES AN	EMPORIA	KS
STANION WHOLESA	EMPORIA	KS
STEVE COFFMAN B	EMPORIA	KS
TEMP AND COMPAN	EMPORIA	KS
WESTERN SIZZLIN	EMPORIA	KS
WHITE LINE TAXI	EMPORIA	KS
CITY OF ENSIGN	ENSIGN	KS
KAW VALLEY WARE	EUDORA	KS
F E BLISS SOLID	EUREKA	KS
LA RETTA SCOWN	FAIRWAY	KS
NATIONAL SPECIA	FLORENCE	KS
SHANKLIN OIL	FLORENCE	KS
CRESS IMPLEMENT	FREDONIA	KS
DENISON INCORPO	FREDONIA	KS
FREDONIA CO-OP	FREDONIA	KS
WESTERN DINER	FREDONIA	KS
WILSON COUNTY N	FREDONIA	KS
GALATIA CO-OPER	GALATIA	KS
AMERICAN IMPLEM	GARDEN CIT	KS
B AND L RENTALS	GARDEN CIT	KS
BERRY TRACTOR A	GARDEN CIT	KS
BUFFALO MILL SU	GARDEN CIT	KS
BUGS R US	GARDEN CIT	KS
CIRCLE K AUTO P	GARDEN CIT	KS
CONCRETE INDUST	GARDEN CIT	KS
COOK'S REFRIGER	GARDEN CIT	KS
DILLONS #60	GARDEN CIT	KS
DOONAN TRUCK AN	GARDEN CIT	KS
FINNEY COUNTY N	GARDEN CIT	KS
FOLTZ CONSTRUCT	GARDEN CIT	KS
FORD NEW HOLLAN	GARDEN CIT	KS
FULTON STREET &	GARDEN CIT	KS
GARDEN CITY AUT	GARDEN CIT	KS
GARDEN CITY FOR	GARDEN CIT	KS
GARDEN CITY HIL	GARDEN CIT	KS
GENERAL PETROLE	GARDEN CIT	KS
GREAT WESTERN T	GARDEN CIT	KS
IBT INCORPORATE	GARDEN CIT	KS
J J APPELHANS	GARDEN CIT	KS
JOHNSON SEPTIC	GARDEN CIT	KS
K.L. JOHNSON TR	GARDEN CIT	KS
KANAMAK HYDRAUL	GARDEN CIT	KS
KANSAS AVENUE "	GARDEN CIT	KS
KEMPER AUTO ELE	GARDEN CIT	KS
KINNEY GLASS IN	GARDEN CIT	KS
LADD SERVICE	GARDEN CIT	KS

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VENDOR	CITY	STATE	VENDOR	CITY	STATE
MACHINE SUPPLY	GARDEN	CIT KS	MCCORDS MOWING	GREAT BEND	KS
MID-WEST CRANE	GARDEN	CIT KS	MOEDER OIL COMP	GREAT BEND	KS
MID-WEST FLECTR	GARDEN	CIT KS	PARTS INCORPORA	GREAT BEND	KS
NAAB ELECTRIC I	GARDEN	CIT KS	PISTOL PETES NU	GREAT BEND	KS
P.B. HOIDALE CO	GARDEN	CIT KS	RUBE'S AIR COND	GREAT BEND	KS
ROBINSON OIL CO	GARDEN	CIT KS	SCRANTON MACHIN	GREAT BEND	KS
SIMMONS AUTO PA	GARDEN	CIT KS	SPECIALTIES, IN	GREAT BEND	KS
SMITH SAND CO I	GARDEN	CIT KS	STANION WHOLESA	GREAT BEND	KS
STANDARD SUPPLY	GARDEN	CIT KS	STEVE'S STANDAR	GREAT BEND	KS
SUNFLOWER MACHI	GARDEN	CIT KS	STONE SAND COMP	GREAT BEND	KS
TIME TOOL RENTA	GARDEN	CIT KS	STRAUB CASE-INT	GREAT BEND	KS
VERN COX FRAME	GARDEN	CIT KS	STRAUB INTERNAT	GREAT BEND	KS
FARMERS CO-OP E	GARDEN	PLA KS	SUNFLOWER BACKH	GREAT BEND	KS
FARMERS COOPERA	GARDEN	PLA KS	THE JIMMIE JONE	GREAT BEND	KS
CMI-GARDNER	GARDNER	KS	THREE D LUMBER	GREAT BEND	KS
CRIST TRUCKIN-E	GARDNER	KS	TURNER ELECTRIC	GREAT BEND	KS
JERRY HIATT	GARDNER	KS	VONFELDT WELDIN	GREAT BEND	KS
METAL DOORS AND	GARDNER	KS	WAGGONER WEED C	GREAT BEND	KS
MOTOROLA C AND	GARDNER	KS	WATERS HARDWARE	GREAT BEND	KS
REX'S TIRE CENT	GARDNER	KS	WESTERN TRUCK E	GREAT BEND	KS
ANDERSON COUNTY	GARNETT	KS	WESTHOFF SAND C	GREAT BEND	KS
GEM FARM CENTER	GARNETT	KS	KIOWA COUNTY NO	GREENSBURG	KS
LYBARGER OIL CO	GARNETT	KS	CITY OF HALSTEA	HALSTEAD	KS
WOLKEN OIL CO	GARNETT	KS	ANTHONY FARMER	HARPER	KS
SEKAN ASPHALT S	GAS	KS	ANTHONY-HARPER	HARPER	KS
GUSTUS MANUFACT	GENESE0	KS	CENTEL CORPORAT	HARPER	KS
CITY OF GIRARD	GIRARD	KS	D AND S EQUIPME	HARPER	KS
CONTECH	GODDARD	KS	HALL INDUSTRIAL	HARPER	KS
MCPHERSON WRECK	GRANTVILLE	KS	HALL MACHINE WE	HARPER	KS
AARON'S REPAIR	GREAT BEND	KS	HARPER COUNTY H	HARPER	KS
ACME IRON AND M	GREAT BEND	KS	HARPER READY-MI	HARPER	KS
BARTON COUNTY W	GREAT BEND	KS	HARPER SERVICE	HARPER	KS
BECKER TIRE & T	GREAT BEND	KS	HI-GRADE SAND C	HARPER	KS
BEST WESTERN AN	GREAT BEND	KS	J AND P ELECTRI	HARPER	KS
BIG A AUTO PART	GREAT BEND	KS	JACOB'S RADIATO	HARPER	KS
BIRD OIL COMPAN	GREAT BEND	KS	N. & J. SANITAT	HARPER	KS
BLACK ANGUS STE	GREAT BEND	KS	RICKE'S TRU-VAL	HARPER	KS
C. V. CALE INC	GREAT BEND	KS	RICKE'S HOME CEN	HARPER	KS
CITY ICE	GREAT BEND	KS	RON'S 66 SERVIC	HARPER	KS
DIESEL EQUIPMEN	GREAT BEND	KS	TERRY S AUTO SU	HARPER	KS
ESSMILLER OIL C	GREAT BEND	KS	TERRY'S AUTO SU	HARPER	KS
ESTES TRASH SER	GREAT BEND	KS	THE CITY OF HAR	HARPER	KS
FOLEY TRACTOR C	GREAT BEND	KS	WELCH MACHINE &	HARPER	KS
GARBS WELDING I	GREAT BEND	KS	YOUNG FABRICATO	HARPER	KS
GREAT BEND AUTO	GREAT BEND	KS	HAVEN REDI MIX	HAVEN	KS
GREAT BEND COOP	GREAT BEND	KS	HAYS FIRE EQUIP	HAYS	KS
GREAT BEND OFFI	GREAT BEND	KS	SPORTSWEAR IMPR	HAYSVILLE	KS
IBT INCORPORATE	GREAT BEND	KS	DELTA TIRE	HERINGTON	KS
INDUSTRIAL BEAR	GREAT BEND	KS	BITIKOFER RADIA	HESSTON	KS
INGERSOLL'S AUT	GREAT BEND	KS	HESSTON BUSINES	HESSTON	KS
JIMLO GLASS INC	GREAT BEND	KS	HESSTON ELECTRI	HESSTON	KS
KANSASLAND TIRE	GREAT BEND	KS	HESSTON MACHINE	HESSTON	KS
MARMIE MOTORS I	GREAT BEND	KS	KING CONSTRUCTI	HESSTON	KS

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VENDOR	CITY	STATE	VENDOR	CITY	STATE
KROPF LUMBER IN	HESSTON	KS	SERVICEMASTER O	HUTCHINSON	KS
SOLID WASTE HAU	HESSTON	KS	SIRLOIN STOCKAD	HUTCHINSON	KS
THE JOB SHOP, I	HESSTON	KS	STURGEON GLASS	HUTCHINSON	KS
SCHUETZ TOOL AN	HIAWATHA	KS	SUNFLOWER ELECT	HUTCHINSON	KS
CITY OF HILLSBO	HILLSBORO	KS	SUPERIOR FENCE	HUTCHINSON	KS
COOPERATIVE GRA	HILLSBORO	KS	T AND E OIL COM	HUTCHINSON	KS
EASTERLY WELDIN	HOISINGTON	KS	WEST STAR TRUCK	HUTCHINSON	KS
LARRY KLOTZ	HOLCOMB	KS	WESTLAKE HARDWA	HUTCHINSON	KS
PAPPAS CONCRETE	HOLCOMB	KS	WICHITA WELDING	HUTCHINSON	KS
HENRY BROTHERS	HOLTON	KS	ARCTIC ICE COMP	INDEPENDEN	KS
SCHEID INC	HOLTON	KS	ASHCRAFT TIRE C	INDEPENDEN	KS
HOLYROOD COOPER	HOLYROOD	KS	BARNHART OIL CO	INDEPENDEN	KS
DOWNNEY REPAIR	HOPE	KS	DAVIS CONTRACTI	INDEPENDEN	KS
C-T MACHINE SHO	HUGOTON	KS	DENNIS OIL COMP	INDEPENDEN	KS
BROYLES INCORPO	HUMBOLDT	KS	INDEPENDENCE RE	INDEPENDEN	KS
AGRI CENTER	HUTCHINSON	KS	LINN'S AIR COOL	INDEPENDEN	KS
BLACKTOP CONSTR	HUTCHINSON	KS	SHANKS OIL COMP	INDEPENDEN	KS
BORNHOLDT PLANT	HUTCHINSON	KS	ULTRABOND	INDEPENDEN	KS
C L EBELING CON	HUTCHINSON	KS	WOODS LUMBER	INDEPENDEN	KS
CAREY SALT COMP	HUTCHINSON	KS	JOHNSON COUNTY	INDUSTRIAL	KS
CARGILL SALT DI	HUTCHINSON	KS	NORTH SUPPLY CO	INDUSTRIAL	KS
CENTRAL WELDING	HUTCHINSON	KS	NORTH SUPPLY CO	INDUSTRIAL	KS
CHESTER ANSEL	HUTCHINSON	KS	INGALLS COOPERA	INGALLS	KS
CITY OF HUTCHIN	HUTCHINSON	KS	CARDER'S PHILMA	IOLA	KS
CONCRETE ENTERP	HUTCHINSON	KS	COPY PRODUCTS,	IOLA	KS
COOPER TIRE SER	HUTCHINSON	KS	HISER IMPLEMENT	IOLA	KS
DALE'S DOWNTOWN	HUTCHINSON	KS	NOREL HOMES CO	IOLA	KS
DALES COMMERCIA	HUTCHINSON	KS	HODGEMAN COUNTY	JETMORE	KS
DALES DOWNTOWN	HUTCHINSON	KS	JOHNSON COOPERA	JOHNSON	KS
DAVIS HOME CENT	HUTCHINSON	KS	UTC OF KANSAS	JUNCTION C	KS
EALES PLUMBING	HUTCHINSON	KS	A AND K RAILROA	KANSAS CIT	KS
EQUIPMENT RENTA	HUTCHINSON	KS	A B C PLUMBING	KANSAS CIT	KS
EWING CONSTRUCT	HUTCHINSON	KS	A.E. WEST PETRO	KANSAS CIT	KS
FARMERS COOPERA	HUTCHINSON	KS	A-1 BARREL COMP	KANSAS CIT	KS
GARVEY FLEVATOR	HUTCHINSON	KS	AAA ENGINE & EL	KANSAS CIT	KS
GULLICKSON TIRE	HUTCHINSON	KS	ABLE MUFFLER SH	KANSAS CIT	KS
HUTCHINSON BAG	HUTCHINSON	KS	ABLE REDDI ROOT	KANSAS CIT	KS
HUTCHINSON TRUC	HUTCHINSON	KS	ACE HARDWARE	KANSAS CIT	KS
J AND J DRAINAG	HUTCHINSON	KS	ACME HYDRAULIC	KANSAS CIT	KS
J. H. SHEARS SO	HUTCHINSON	KS	ACME HYDRAULICS	KANSAS CIT	KS
JIM'S SALES & S	HUTCHINSON	KS	ACME RADIATOR A	KANSAS CIT	KS
KANSAS OXYGEN,	HUTCHINSON	KS	ALL WAYS FREIGH	KANSAS CIT	KS
KANSAS PROPANE	HUTCHINSON	KS	ALLEN ARMATURE	KANSAS CIT	KS
KENNY'S ELECTRI	HUTCHINSON	KS	ALPHA MARKETING	KANSAS CIT	KS
KINGSLEY-WAGNER	HUTCHINSON	KS	AMERICAN LIFTIN	KANSAS CIT	KS
LOWEN COMPANY I	HUTCHINSON	KS	AMERICAN RIGGER	KANSAS CIT	KS
MARTINEZ AND SO	HUTCHINSON	KS	AMERICAN RIGGER	KANSAS CIT	KS
MIDWEST IRON &	HUTCHINSON	KS	AMINO BROTHERS	KANSAS CIT	KS
MURDOCK SUPPLY	HUTCHINSON	KS	APAC-KANSAS, IN	KANSAS CIT	KS
ONTJES VENDING	HUTCHINSON	KS	ARGENTINE SMALL	KANSAS CIT	KS
ORKIN EXTERMIHA	HUTCHINSON	KS	ARMOURDALE AUTO	KANSAS CIT	KS
OWEN MOWING SER	HUTCHINSON	KS	ASHLAND CHEMICA	KANSAS CIT	KS
RAGLAND AUTO PA	HUTCHINSON	KS	ASPHALT SALES C	KANSAS CIT	KS

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VENDOR	CITY	STATE	VENDOR	CITY	STATE
AT & T	KANSAS	CIT KS	FIRESTONE STORE	KANSAS	CIT KS
B AND HESTER, I	KANSAS	CIT KS	FOREST VIEW LAN	KANSAS	CIT KS
B C MC DONALD A	KANSAS	CIT KS	FRANK MULICH HA	KANSAS	CIT KS
B C MCDONALD AN	KANSAS	CIT KS	GARD CORPORATIO	KANSAS	CIT KS
B F GOODRICH TI	KANSAS	CIT KS	GARD OIL PRODUC	KANSAS	CIT KS
B. C. MAC DONAL	KANSAS	CIT KS	GEAR HEADQUARTE	KANSAS	CIT KS
B-S STEEL OF KA	KANSAS	CIT KS	GEIGER READY MI	KANSAS	CIT KS
B-S STEEL OF KA	KANSAS	CIT KS	GENUINE NAPA AU	KANSAS	CIT KS
BEARING HEADQUA	KANSAS	CIT KS	GRAGG'S PAINT C	KANSAS	CIT KS
BEAVER DRILL AN	KANSAS	CIT KS	GRAGG'S PAINT C	KANSAS	CIT KS
BEELER FLOORING	KANSAS	CIT KS	H. B. FULLER CO	KANSAS	CIT KS
BERNIE ELECTRIC	KANSAS	CIT KS	HAL REED COMPAN	KANSAS	CIT KS
BOB UNITED SUPE	KANSAS	CIT KS	HALCO INCORPORA	KANSAS	CIT KS
BOB'S UNITED SU	KANSAS	CIT KS	HANLON CHEMICAL	KANSAS	CIT KS
BORBEIN YOUNG A	KANSAS	CIT KS	HARCROS CHEMICA	KANSAS	CIT KS
BRAD RAGAN INCO	KANSAS	CIT KS	HEATHWOOD OIL C	KANSAS	CIT KS
BRENCO BEARING	KANSAS	CIT KS	HICK'S ELECTRIC	KANSAS	CIT KS
BRENCO INCORPOR	KANSAS	CIT KS	HILTI INCORPORA	KANSAS	CIT KS
BUREAU OF LAND	KANSAS	CIT KS	HINCKLEY AND SC	KANSAS	CIT KS
C & C SALVAGE S	KANSAS	CIT KS	INLAND QUARRIES	KANSAS	CIT KS
C & C SERVICES	KANSAS	CIT KS	INNOVATIVE SYST	KANSAS	CIT KS
C AND K OFFICE	KANSAS	CIT KS	INTER-STATE LUB	KANSAS	CIT KS
CALICO'S UNLIMI	KANSAS	CIT KS	J AND A INDUSTR	KANSAS	CIT KS
CANFIELD AND JO	KANSAS	CIT KS	J M J PROJECTS	KANSAS	CIT KS
CANNON TOOL KAN	KANSAS	CIT KS	JIMMEL'S AUDIO-	KANSAS	CIT KS
CBF COMMERCIAL	KANSAS	CIT KS	JIMS LOCK AND S	KANSAS	CIT KS
CECIL'S SIGN SE	KANSAS	CIT KS	JOHNSON CONTROL	KANSAS	CIT KS
CENTRAL PLAINS	KANSAS	CIT KS	JORBAN RISCO	KANSAS	CIT KS
CENTURY LABRATO	KANSAS	CIT KS	K. C. GRAPHICS	KANSAS	CIT KS
CHEM-TROL INCOR	KANSAS	CIT KS	K.C. CALBRATION	KANSAS	CIT KS
CLOCK CENTER	KANSAS	CIT KS	K-MART DISCOUNT	KANSAS	CIT KS
COMPUTER DATACO	KANSAS	CIT KS	KANSAS AIRBRAKE	KANSAS	CIT KS
CONCRETE PLACEM	KANSAS	CIT KS	KANSAS CITY POW	KANSAS	CIT KS
CONMACO, INC.	KANSAS	CIT KS	KANSAS CITY WIN	KANSAS	CIT KS
CONSTRUCTION DE	KANSAS	CIT KS	KAW VALLEY SAND	KANSAS	CIT KS
CONTAINER RECYC	KANSAS	CIT KS	KAW VALLEY SAND	KANSAS	CIT KS
CONTRACTORS IRA	KANSAS	CIT KS	KEL-WELCO OF KA	KANSAS	CIT KS
DATAGRAPHIX MUL	KANSAS	CIT KS	KELLER FIRE AND	KANSAS	CIT KS
DAYCO CORPORATI	KANSAS	CIT KS	KELLER INDUSTRI	KANSAS	CIT KS
DETCO TRAILERS,	KANSAS	CIT KS	KEN-WELCO OF KA	KANSAS	CIT KS
DILLARD'S INDIA	KANSAS	CIT KS	KENTON AUTO GLA	KANSAS	CIT KS
DREXEL SUPPLY C	KANSAS	CIT KS	KENTON GLASS CO	KANSAS	CIT KS
ED'S TROPHIES A	KANSAS	CIT KS	KLEMP ELECTRIC	KANSAS	CIT KS
ELLA'S JANITORI	KANSAS	CIT KS	KORNFELD-THORP	KANSAS	CIT KS
ERNIE RIEKE ERU	KANSAS	CIT KS	KORNFELD - THO	KANSAS	CIT KS
F AND S TRUCK E	KANSAS	CIT KS	LAKELAND ENGINE	KANSAS	CIT KS
FAGAN COMPANY	KANSAS	CIT KS	LAWRENCE PHOTO-	KANSAS	CIT KS
FANTASTIKS PLAS	KANSAS	CIT KS	LINDSAY WATER C	KANSAS	CIT KS
FASOME'S SUPPER	KANSAS	CIT KS	MAC'S	KANSAS	CIT KS
FEHRS EQUIPMENT	KANSAS	CIT KS	MAC'S FENCE	KANSAS	CIT KS
FERRIS KIMBALL	KANSAS	CIT KS	MACS FENCE	KANSAS	CIT KS
FINCH BAYLESS E	KANSAS	CIT KS	METRO PARK WARE	KANSAS	CIT KS
FINKEMEIER BAKE	KANSAS	CIT KS	MIDWEST POWER F	KANSAS	CIT KS

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MIDWEST TOW SER	KANSAS	CIT KS
MILLER HARDWARE	KANSAS	CIT KS
MO-KAN AUTOMOTI	KANSAS	CIT KS
MO-KAN DRILLING	KANSAS	CIT KS
NAPA AUTO PARTS	KANSAS	CIT KS
NEFF SALES COMP	KANSAS	CIT KS
OFFICE OUTFITTE	KANSAS	CIT KS
ORAM EQUIPMENT	KANSAS	CIT KS
ORAM MATERIAL H	KANSAS	CIT KS
ORR SAFETY EQUI	KANSAS	CIT KS
OXYGEN SERVICE	KANSAS	CIT KS
P H A S E	KANSAS	CIT KS
PAYLESS CASHWAY	KANSAS	CIT KS
PICTURE AND FRA	KANSAS	CIT KS
PLUMBERS SUPPLY	KANSAS	CIT KS
POSTAGE BY PHON	KANSAS	CIT KS
POSTMASTER	KANSAS	CIT KS
POSTMASTER ARGE	KANSAS	CIT KS
POWER FLECTRIC,	KANSAS	CIT KS
POWERFLOW SYSTE	KANSAS	CIT KS
POWERFLOW SYSTE	KANSAS	CIT KS
PROCESS MEASURE	KANSAS	CIT KS
RADIO SHACK STO	KANSAS	CIT KS
RCA CONSUMER SE	KANSAS	CIT KS
REDDI ROOT'R	KANSAS	CIT KS
REGAN SUPPLY	KANSAS	CIT KS
REGENT'S FLOOR	KANSAS	CIT KS
REINTJES & HITE	KANSAS	CIT KS
REINTKES HILER	KANSAS	CIT KS
RENT-A-CENTER	KANSAS	CIT KS
REW ACOUSTICAL	KANSAS	CIT KS
REW MATERIALS,	KANSAS	CIT KS
ROAD BUILDERS M	KANSAS	CIT KS
ROBERT E. KAVAN	KANSAS	CIT KS
ROTHERNBERG AND	KANSAS	CIT KS
RYCO PACKAGING	KANSAS	CIT KS
S AND W COMPANY	KANSAS	CIT KS
SALISBURY LIFT	KANSAS	CIT KS
SANTA FE STEEL	KANSAS	CIT KS
SCHOCK TRANSFER	KANSAS	CIT KS
SCOTT BARREL CO	KANSAS	CIT KS
SCOTT BROTHERS	KANSAS	CIT KS
SEARS ROEBUCK &	KANSAS	CIT KS
SILO	KANSAS	CIT KS
SILVERLEAF PLAN	KANSAS	CIT KS
SMALLWOOD LOCKS	KANSAS	CIT KS
SOFTWARE SPECTR	KANSAS	CIT KS
SPECTRUM EQUIPM	KANSAS	CIT KS
STANLEY TRAILER	KANSAS	CIT KS
STATE TRACTOR &	KANSAS	CIT KS
STIRLING AUTO S	KANSAS	CIT KS
STRASSER HARDWA	KANSAS	CIT KS
STURGIS MATERIA	KANSAS	CIT KS

VENDOR	CITY	STATE
SUBURBAN PROPAN	KANSAS	CIT KS
SURFACE FINISHI	KANSAS	CIT KS
SUTHERLAND LUMB	KANSAS	CIT KS
SWAN ENGINEERIN	KANSAS	CIT KS
T. J. FLEMING C	KANSAS	CIT KS
TED WILKERSON C	KANSAS	CIT KS
TERMINAL MANAGE	KANSAS	CIT KS
THE ESSENTIAL D	KANSAS	CIT KS
THE SCHOCK SYST	KANSAS	CIT KS
TIMER & EQUIPME	KANSAS	CIT KS
TIRE CENTERS IN	KANSAS	CIT KS
TOTAL OFFICE PR	KANSAS	CIT KS
TRAFTEC CONTRAC	KANSAS	CIT KS
TRANSNATIONAL D	KANSAS	CIT KS
TREAT AMERICA	KANSAS	CIT KS
TRI STATE EQUIP	KANSAS	CIT KS
TRI-STATE EQUIP	KANSAS	CIT KS
TRI-STATE PETRO	KANSAS	CIT KS
TUCKER HARDWARE	KANSAS	CIT KS
TUCKERS CONTRAC	KANSAS	CIT KS
UNION MACHINE &	KANSAS	CIT KS
UNITED SUPER	KANSAS	CIT KS
VENTURE	KANSAS	CIT KS
W N NELSON COMP	KANSAS	CIT KS
W.P. STARK LUMB	KANSAS	CIT KS
WALDMAN SUPPLY	KANSAS	CIT KS
WESTERN TRAILER	KANSAS	CIT KS
WESTINGHOUSE AI	KANSAS	CIT KS
WHOLESALE BATTE	KANSAS	CIT KS
WHOLESALE SHEET	KANSAS	CIT KS
WINNELSON COMPA	KANSAS	CIT KS
WYANDOTTE COUNT	KANSAS	CIT KS
WYNDOT PAPER SU	KANSAS	CIT KS
ZINK TIRE SERVI	KANSAS	CIT KS
TROPICAL DESIGN	KECHI	KS
DAVE ANDERSON	KINGMAN	KS
DON'S PAINT & B	KINGMAN	KS
HARBERT TIRE IN	KINGMAN	KS
HIRST S AUTO PA	KINGMAN	KS
KINGMAN COUNTY	KINGMAN	KS
LANGLEY OIL AND	KINGMAN	KS
TUX'S STANDARD	KINGMAN	KS
MCCARTY'S FIRE	KINGSDOWN	KS
BIG A AUTO PART	KINSLEY	KS
CIRCLE K AUTO P	KINSLEY	KS
E-Z STOP	KINSLEY	KS
EDWARDS COUNTY	KINSLEY	KS
GARY L. DAVIDSO	KINSLEY	KS
ICE ON FIRE	KINSLEY	KS
JOHN DEERE AUTO	KINSLEY	KS
KINSLEY CO-OPER	KINSLEY	KS
KINSLEY READY M	KINSLEY	KS
STRATE CONSTRUC	KINSLEY	KS

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VENDOR	CITY	STATE	VENDOR	CITY	STATE
VOLZ OIL CO	KINSLEY	KS	NELSON MACHINE	LAWRENCE	KS
VOLZ OIL COMPAN	KINSLEY	KS	ORLIN WAGNER 51	LAWRENCE	KS
BOGNER INC	KIOWA	KS	PATCHEN ELECTRI	LAWRENCE	KS
CITY OF KIOWA	KIOWA	KS	PENNY'S READY M	LAWRENCE	KS
D AND W BODY RE	KIOWA	KS	POLK OIL COMPAN	LAWRENCE	KS
DEB'S 66 SERVIC	KIOWA	KS	PUR-O-ZONE CHEM	LAWRENCE	KS
GAMBLES	KIOWA	KS	QUALITY ELECTRI	LAWRENCE	KS
HUMPHREY INCORP	KIOWA	KS	STATE RADIATOR	LAWRENCE	KS
J R MICHEL OIL	KIOWA	KS	THE FARMERS CO-	LAWRENCE	KS
JARVIS AUTO SUP	KIOWA	KS	W.A. DUNBAR AND	LAWRENCE	KS
KIOWA SERVICE C	KIOWA	KS	WHELAN'S	LAWRENCE	KS
MC HAMAR'S L P	KIOWA	KS	CAPITAL ELECTRI	LEAVENWORT	KS
Q MART COUNTRY	KIOWA	KS	CLEAN TECH SYST	LEAVENWORT	KS
RALPH'S SHOP	KIOWA	KS	GEIGER READYMIX	LEAVENWORT	KS
THE LITTLE STOR	KIOWA	KS	LEAVENWORTH COU	LEAVENWORT	KS
THE O K COOPERA	KIOWA	KS	MANCE LAWN & GA	LEAVENWORT	KS
THE TUCKER COMP	KIOWA	KS	RUTLEDGE BACKHO	LEAVENWORT	KS
RUSH COUNTY NOX	LACROSSE	KS	AIR SIGNAL INC	LEAWOOD	KS
CITY OF LAKIN	LAKIN	KS	ENGINEERED MATE	LEAWOOD	KS
KEARNY COUNTY W	LAKIN	KS	GENERAL DATACOM	LEAWOOD	KS
DEAN'S 66 SERVI	LARNED	KS	MCI AIR SIGNAL I	LEAWOOD	KS
LARNED READY MI	LARNED	KS	SOFTWARE CENTR	LEAWOOD	KS
PAWNEE COUNTY C	LARNED	KS	CASEY'S # 1266	LEBO	KS
PAWNEE COUNTY N	LARNED	KS	DEAN KNIGHT OIL	LEBO	KS
ROTH EQUIPMENT	LARNED	KS	GRANGER'S COOPE	LEBO	KS
A-1 CITY CAB CO	LAWRENCE	KS	AMBROSE SALES C	LENEXA	KS
ANDERSON RENTAL	LAWRENCE	KS	AMERICAN BUSINE	LENEXA	KS
ART & SIGN GRAP	LAWRENCE	KS	ANIXTER	LENEXA	KS
AUTO PARTS COMP	LAWRENCE	KS	AVNET COMPUTER	LENEXA	KS
BRANCH PLUMBING	LAWRENCE	KS	BARNETT, STUART	LENEXA	KS
BUSINESS HEALTH	LAWRENCE	KS	BLACKMORE AND G	LENEXA	KS
CHANEY PLUMBING	LAWRENCE	KS	BRADCO INCORPOR	LENEXA	KS
CLOUD HEATING &	LAWRENCE	KS	BUBECK SERVICE	LENEXA	KS
COMET CORPORATI	LAWRENCE	KS	BUTLER PAPER CO	LENEXA	KS
CONNECTING POIN	LAWRENCE	KS	C.L. MCMICHAEL	LENEXA	KS
D & D TIRE, INC	LAWRENCE	KS	CADILLAC PLASTI	LENEXA	KS
DOUGLAS COUNTY	LAWRENCE	KS	CARPET MAGIC BY	LENEXA	KS
ELECTROLIFE BAT	LAWRENCE	KS	CASHCO	LENEXA	KS
FARMERS CO-OP A	LAWRENCE	KS	CHEMICAL SALES	LENEXA	KS
FLEETWOOD SMALL	LAWRENCE	KS	COLT TECHNOLOGY	LENEXA	KS
HEETCO INC	LAWRENCE	KS	COMPUTER ACCESS	LENEXA	KS
HUXTABLE AND AS	LAWRENCE	KS	CONTRACTORS SUP	LENEXA	KS
JONES FARM SUPP	LAWRENCE	KS	DATA PORT TECHN	LENEXA	KS
JONES RENT-ALL	LAWRENCE	KS	ECZEL CORPORATI	LENEXA	KS
KAW VALLEY INDU	LAWRENCE	KS	ERNST-EICHMAN M	LENEXA	KS
KENNEDY GLASS,	LAWRENCE	KS	FRAME IT ALL	LENEXA	KS
LAWRENCE ASPHAL	LAWRENCE	KS	GBC	LENEXA	KS
LAWRENCE PAPER	LAWRENCE	KS	GENERAL BINDING	LENEXA	KS
M. W. SIMONSON	LAWRENCE	KS	HALLMARK ELECTR	LENEXA	KS
MALONE AND ASSO	LAWRENCE	KS	HAMILTON AVNET	LENEXA	KS
MC CONNELL MACH	LAWRENCE	KS	HEDEEN ARCHITEC	LENEXA	KS
MICRO-SOURCE MA	LAWRENCE	KS	HERMES LANDSCAP	LENEXA	KS
MID WEST EXTERM	LAWRENCE	KS	HUGHES MACHINER	LENEXA	KS

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VENDOR	CITY	STATE	VENDOR	CITY	STATE
IMAGE PRODUCTIO	LENEXA	KS	COLLINGWOOD GRA	LITTLE RIV	KS
INFORMIX SOFTWA	LENEXA	KS	LONGFORD LUMBER	LONGFORD	KS
INTERMEC	LENEXA	KS	COZY INN CAFE	LONGTON	KS
INTERSTATE ELEC	LENEXA	KS	ALEX STUCHLIK &	LOST SPRIN	KS
JOHNSON-POLAND	LENEXA	KS	BRUCE BARSH	LOUISBURG	KS
JOHNSON'S YARD	LENEXA	KS	OSAGE COUNTY NO	LYNDON	KS
KC CAD COMPANY	LENEXA	KS	CITY OF LYONS	LYONS	KS
KENNEDY VAN BRU	LENEXA	KS	JONES OIL CO.	LYONS	KS
KEYSTONE	LENEXA	KS	L AND L SUPPLY	LYONS	KS
KNOPKE BROTHERS	LENEXA	KS	RICE COUNTY WEE	LYONS	KS
LENEXA COMMUNIC	LENEXA	KS	WELLMAN TRASH S	MACKSVILLE	KS
LESLIE PAPER CO	LENEXA	KS	ALLISON GARAGE	MANCHESTER	KS
LOGIC CONTROL S	LENEXA	KS	CHARTER AMERICA	MANHATTAN	KS
LOUIS W. IZARD	LENEXA	KS	MID WEST EXTERM	MANHATTAN	KS
MASTER TAPE DUP	LENEXA	KS	STEEL AND PIPE	MANHATTAN	KS
MASTERGLASS WIN	LENEXA	KS	JEWELL COUNTY N	MANKATO	KS
MECHANICAL EQUI	LENEXA	KS	LONGHOFER SUPPL	MARION	KS
METRO-PLEX INFO	LENEXA	KS	PIERCE OIL CO	MARION	KS
MID-LAND WRECKI	LENEXA	KS	WESTERN ASSOCIA	MARION	KS
MIDWEST SPRAY E	LENEXA	KS	HASSMAN OIL COM	MC PHERSON	KS
NASHUA CORPORAT	LENEXA	KS	MCPHERSON CONCR	MC PHERSON	KS
NORTHWESTERN BO	LENEXA	KS	ALBERTS PLUMBIN	MCPHERSON	KS
OMNI CONSULTANT	LENEXA	KS	BECKER TIRE OF	MCPHERSON	KS
PALMER JOHNSON	LENEXA	KS	CITY OF MCPHERS	MCPHERSON	KS
PUMP & POWER EQ	LENEXA	KS	COPELAND SUPPLY	MCPHERSON	KS
REEVES-WIEDEMAN	LENEXA	KS	JANTZ-FEMCO	MCPHERSON	KS
RENSENHOUSE ELE	LENEXA	KS	MCPHERSON COUNT	MCPHERSON	KS
RENSENHOUSE OF	LENEXA	KS	MCPHERSON REN C	MCPHERSON	KS
RICHARD GREENE	LENEXA	KS	MID KANSAS MACH	MCPHERSON	KS
ROMAC INCORPORA	LENEXA	KS	MILLER AUTOMOTI	MCPHERSON	KS
ROMAC, INC	LENEXA	KS	SUNFLOWER SAHIT	MCPHERSON	KS
SHORE TIRE CO.,	LENEXA	KS	WALL-ROGALSKY M	MCPHERSON	KS
SHRINK PACKAGIN	LENEXA	KS	WESTERN ICE AND	MCPHERSON	KS
SKC COMMUNICATI	LENEXA	KS	BARBER COUNTY N	MEDICINE L	KS
SNAP-ON TOOLS C	LENEXA	KS	BOYTER TIRES IN	MEDICINE L	KS
SNAP-ON TOOLS C	LENEXA	KS	CLARKE CORPORAT	MEDICINE L	KS
SPECIAL-T METAL	LENEXA	KS	HI-WAY SALES &	MEDICINE L	KS
SPORTPRINTS, IN	LENEXA	KS	JERRY'S SERV IN	MEDICINE L	KS
STANLEY BOSTITC	LENEXA	KS	K AND M AUTO PA	MEDICINE L	KS
TAB PRODUCTS CO	LENEXA	KS	MCMAMAR'S L P G	MEDICINE L	KS
TEKTRONIX, INCO	LENEXA	KS	CRIQUI CONSTRUC	MELVERN	KS
TERRACON CONSUL	LENEXA	KS	JERRY HENRY EXC	MERIDEN	KS
THE GREEN COMPA	LENEXA	KS	MERIDEN CO-OP E	MERIDEN	KS
THE PACKAGING S	LENEXA	KS	REX D. CLOUGH	MERIDEN	KS
W.W. GRAINGER I	LENEXA	KS	BUSINESS RESOUR	MERRIAM	KS
WESTERN AIR MAP	LENEXA	KS	HEART OF AMERIC	MERRIAM	KS
ZINK SAFETY EQU	LENEXA	KS	KANSAS BUILDERS	MERRIAM	KS
PITNEY BOWES	LEXENA	KS	SHAWNEE STEEL &	MERRIAM	KS
CENTEL ELECTRIC	LIBERAL	KS	THE TOTAL DOOR	MERRIAM	KS
MID STATES DIES	LIBERAL	KS	TRUE AUTO PARTS	MERRIAM	KS
JENSEN OIL CO	LINCOLN	KS	ZOTOZ, INC.	MERRIAM	KS
LINCOLN COUNTY	LINCOLN	KS	FARMERS UNION C	MILTONVALE	KS
QUARTZITE STONE	LINCOLN	KS	ABSHER SIGN AND	MISSION	KS

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VENDOR	CITY	STATE	VENDOR	CITY	STATE
AMERICAN FIRE S	MISSION	KS	BRANDON HUNTLEY	NEWTON	KS
AMERICAN REPROG	MISSION	KS	BUILDERS CONCRE	NEWTON	KS
AURORA PUMPS	MISSION	KS	BULLER CYCLE SE	NEWTON	KS
BORDMAN/HUTCHIN	MISSION	KS	C G & SON TIRE	NEWTON	KS
CARDINAL OFFICE	MISSION	KS	CLAASSEN HARDWA	NEWTON	KS
CELLULAR ONE	MISSION	KS	CLASSEN HARDWAR	NEWTON	KS
COLLINS AND AIK	MISSION	KS	DAVID'S SALES A	NEWTON	KS
DATA GENERAL CO	MISSION	KS	DENNY'S HEATING	NEWTON	KS
DUGGINS LAUNDRY	MISSION	KS	DILLONS STORE H	NEWTON	KS
GRADY COMPANY I	MISSION	KS	DOUBLE R AUTO P	NEWTON	KS
MISSION FRAME S	MISSION	KS	DR RODGER GRANT	NEWTON	KS
MULTIPLE SERVIC	MISSION	KS	ESPERAIR, INC	NEWTON	KS
NAPA AUTO PARTS	MISSION	KS	FLEMING'S SEAML	NEWTON	KS
NOLTE CARPET CO	MISSION	KS	FRANS CARPET GA	NEWTON	KS
POSTMASTER	MISSION	KS	GARY WONDER	NEWTON	KS
PROSS/ENPO INDU	MISSION	KS	GATOR & WHEELS,	NEWTON	KS
RADIATRONICS ND	MISSION	KS	GENCO CO.	NEWTON	KS
S AND C ELECTRI	MISSION	KS	GENCO, CO.	NEWTON	KS
SELLERS INJECTO	MISSION	KS	GOODYEAR TIRE A	NEWTON	KS
UARCO INCORPORA	MISSION	KS	GRABER'S HARDWA	NEWTON	KS
M J MURPHY OIL	MOLINE	KS	GRABER'S PLUMBI	NEWTON	KS
MURPHY SELF SER	MOLINE	KS	GRABERS HARDWAR	NEWTON	KS
MCADAMS LIMESTO	MORAN	KS	HARMS ELECTRIC	NEWTON	KS
MID-KANSAS COOP	MOUND RIDG	KS	HARVEY COUNTY L	NEWTON	KS
C & M TRUCKING	MOUNDRIDGE	KS	HARVEY COUNTY H	NEWTON	KS
BILL JACKSON MU	MULVANE	KS	HOUSE OF GLASS	NEWTON	KS
IN-N-OUT	MULVANE	KS	INDUSTRIAL MAIN	NEWTON	KS
J J AUTO SUPPLY	MULVANE	KS	J AND S ENTERPR	NEWTON	KS
M AND M HARDWAR	MULVANE	KS	J C DIESEL SERV	NEWTON	KS
MULVANE COOPERA	MULVANE	KS	JARVIS AUTO SUP	NEWTON	KS
PAPENHAUS OIL C	MULVANE	KS	JOHN DEERE PART	NEWTON	KS
WAYMAN OIL COMP	MULVANE	KS	KANSAS GAS AND	NEWTON	KS
PICTURE FRAMES	N KANSAS C	KS	KAYE ELECTRIC I	NEWTON	KS
SMITH TOOLS AND	N KANSAS C	KS	KEN PULASKI	NEWTON	KS
KANSAS RENTAL,	N TOPEKA	KS	KEN'S TRUCKING	NEWTON	KS
NAVARRE FARMERS	NAVARRE	KS	KIRKPATRICK PLU	NEWTON	KS
FIBERGLASS ENGI	NEODESHA	KS	KOEHN AND ASSOC	NEWTON	KS
SCOTT ROCK CO.	NEODESHA	KS	LE ED TIRE INC	NEWTON	KS
DON'S AUTO	NESS CITY	KS	LECKINGTON TRUC	NEWTON	KS
LEIKER DIRT CON	NESS CITY	KS	LEWIS P FARNAM	NEWTON	KS
NESS COUNTY WEE	NESS CITY	KS	M H GRABER	NEWTON	KS
PAUL'S "66" SER	NESS CITY	KS	MARY'S	NEWTON	KS
PAUL'S 66 SERVI	NESS CITY	KS	MARY'S BLUE PRI	NEWTON	KS
RIGHT COOP ASSO	NESS CITY	KS	MCKIM RADIATOR	NEWTON	KS
ABC TERMITE & P	NEWTON	KS	MCNOLTY CONSTRU	NEWTON	KS
ABS TREE SERVIC	NEWTON	KS	MENNO TRAVEL SE	NEWTON	KS
ACE HARDWARE	NEWTON	KS	MID-KANSAS PROP	NEWTON	KS
AL'S LOCK & KEY	NEWTON	KS	MID-KANSAS RENT	NEWTON	KS
ANDERSON NAME P	NEWTON	KS	MOM'S COUNTRY K	NEWTON	KS
ANDERSON OFFICE	NEWTON	KS	NCH TRUCK SEKVI	NEWTON	KS
ARAPAHOE BACKHO	NEWTON	KS	NEWELL OIL COMP	NEWTON	KS
AUTO CASTINGS R	NEWTON	KS	NEWTON AUTO SUP	NEWTON	KS
BILL BUDDIE	NEWTON	KS	NEWTON MACHIME	NEWTON	KS

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VENDOR	CITY	STATE	VENDOR	CITY	STATE
NEWTON PHOTO SE	NEWTON	KS	BOLINGER OIL CO	OLATHE	KS
NEWTON RADIATOR	NEWTON	KS	CHEMICAL COMMOD	OLATHE	KS
NEWTON RED COAC	NEWTON	KS	CITY OF OLATHE	OLATHE	KS
NEWTON RENTAL C	NEWTON	KS	DITCH WITCH OF	OLATHE	KS
NEWTON VACUUM C	NEWTON	KS	DONAHOWER AND A	OLATHE	KS
POSTMASTER - NE	NEWTON	KS	EDSAL TRAFFIC C	OLATHE	KS
PRYOR ELECTRIC	NEWTON	KS	FOOD 4 LESS	OLATHE	KS
QUINN MINI-STOR	NEWTON	KS	GENUINE PARTS C	OLATHE	KS
RAY ROOFING INC	NEWTON	KS	GRAPHIC TECHNOL	OLATHE	KS
RHOADES CONSTRU	NEWTON	KS	HARRISON MACHIN	OLATHE	KS
RHODES WELDING	NEWTON	KS	INSTANT PHOTO C	OLATHE	KS
RM S AUTO ELECT	NEWTON	KS	J & K RENTALS &	OLATHE	KS
RM'S AUTO ELECT	NEWTON	KS	LESLIE COMPANY	OLATHE	KS
ROBERTS WHOLESA	NEWTON	KS	MAURY E. BEITIS	OLATHE	KS
RON LECKINGTON	NEWTON	KS	MID-CENTRAL/SYS	OLATHE	KS
RUDY'S WELDING	NEWTON	KS	MIDWEST SPRAY E	OLATHE	KS
SAFEWAY STORES	NEWTON	KS	NAPA AUTO PARTS	OLATHE	KS
SASNAK EXPRESS	NEWTON	KS	OLATHE AUTO PAR	OLATHE	KS
SEARS ROEBUCK A	NEWTON	KS	OLATHE FORD 1RA	OLATHE	KS
SHERWIN WILLIAM	NEWTON	KS	OLATHE ICE AND	OLATHE	KS
SIEBERT-DANIELS	NEWTON	KS	OLATHE TIRE AND	OLATHE	KS
SOUTH DILLONS #	NEWTON	KS	PRICE BROTHERS	OLATHE	KS
SOUTHSIDE AMOCO	NEWTON	KS	PRIME INDUSTRIA	OLATHE	KS
STAR DRAIN CLEA	NEWTON	KS	RICHARD'S LOCK	OLATHE	KS
SUNDOWNERS INCO	NEWTON	KS	RICKARD'S LOCK	OLATHE	KS
SUPER SPEED PRI	NEWTON	KS	SERVICEMASTER O	OLATHE	KS
T MAXWELL LANDS	NEWTON	KS	SHELDON SUBURBA	OLATHE	KS
TERRONE'S UPHOL	NEWTON	KS	SUNFLOWER BOLT	OLATHE	KS
THE CARPET EMPO	NEWTON	KS	SUTHERLAND LUMB	OLATHE	KS
THE CITY OF NEW	NEWTON	KS	TIM'S TIRE CENT	OLATHE	KS
THE SERVICE STA	NEWTON	KS	UNIONGAS	OLATHE	KS
TRIPLE A BUILDE	NEWTON	KS	VERMEER SALES A	OLATHE	KS
VOTH POTTERY	NEWTON	KS	WESTERN AIR MAP	OLATHE	KS
WENGER OIL COMP	NEWTON	KS	MURPHY OIL COMP	OLPE	KS
WENGER OIL INCO	NEWTON	KS	HASKINS CONOCO	OSAGE CITY	KS
WIEBE TIRE & SU	NEWTON	KS	HASKINS OIL COM	OSAGE CITY	KS
WIEBE TIRE AND	NEWTON	KS	JERRY'S THRIFTW	OSAGE CITY	KS
WIEBE WOOD PROD	NEWTON	KS	P J'S RESTAURAN	OSAGE CITY	KS
WRAY ROOFING, I	NEWTON	KS	PARTS HOUSE AND	OSAGE CITY	KS
WRIGHT AND SON	NEWTON	KS	T&D TRUCKS	OSAGE CITY	KS
CITY OF NICKERS	NICKERSON	KS	OSBORNE COUNTY	OSBORNE	KS
FARMERS COOPERA	NICKERSON	KS	WHOLESALE SERVI	OSBORNE	KS
WEEDOC OF KANSA	NICKERSON	KS	JEFFERSON COUNT	OSKALOOSA	KS
MARTIN SUPPLY	NORTH NEWT	KS	MARJORIE HESTON	OSKALOOSA	KS
WEISHAAR BROTHE	NORTONVILL	KS	CAREY MECHANICA	OTTAWA	KS
NORRIS MACHINE	NORWAY	KS	CMI-OTTAWA	OTTAWA	KS
FARRAR CORPORAT	NORWICH	KS	D & L AUTOMOTIV	OTTAWA	KS
MELROSE OIL CO.	NORWICH	KS	FOGLE QUARRY CO	OTTAWA	KS
OFFERLE CO-OP G	OFFERLE	KS	FRANKLIN COUNTY	OTTAWA	KS
'DOC' KURTZ TRU	OLATHE	KS	GILLILAND OIL &	OTTAWA	KS
ALLSTATE ELECTR	OLATHE	KS	GREEN LIGHT AUT	OTTAWA	KS
AUTOMOTIVE ELEC	OLATHE	KS	HOUSE OF PARTS	OTTAWA	KS
BLEDSOE EQUIPME	OLATHE	KS	KEYMAN LOCKSMIT	OTTAWA	KS

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VENDOR	CITY	STATE	VENDOR	CITY	STATE
KILE EQUIPMENT	OTTAWA	KS	KUSTOM ELECTRON	OVERLAND	P KS
MCCALLS ELECTRI	OTTAWA	KS	LANDIS AND GYR	OVERLAND	P KS
OLMSTED ELECTRI	OTTAWA	KS	MARSHALL OFFICE	OVERLAND	P KS
OTTAWA COOP ASS	OTTAWA	KS	MASTERGLASS WIN	OVERLAND	P KS
OTTAWA PARTS HO	OTTAWA	KS	MAIHIS PHOTO IN	OVERLAND	P KS
OTTAWA TIRE & S	OTTAWA	KS	MCBEE LOOSE LEA	OVERLAND	P KS
PARTS PLUS AUTO	OTTAWA	KS	MESSPLAY MACHIN	OVERLAND	P KS
PENNY'S READY M	OTTAWA	KS	MILGRAY ELECTRO	OVERLAND	P KS
SKELGAS, INC	OTTAWA	KS	MINE SAFETY APP	OVERLAND	P KS
STEANSON PLUMBI	OTTAWA	KS	MISSION & OVERL	OVERLAND	P KS
SUFFRON GLASS C	OTTAWA	KS	NELSON STUD WEL	OVERLAND	P KS
TOWN AND COUNTR	OTTAWA	KS	NEWARK ELECTRON	OVERLAND	P KS
A TO Z OFFICE S	OVERLAND	P KS	NEWARK ELECTRON	OVERLAND	P KS
AMERICAN AIR FI	OVERLAND	P KS	NOVAMERICA CORP	OVERLAND	P KS
ANIXTER	OVERLAND	P KS	OVERLAND PARK O	OVERLAND	P KS
ANTENNA FARMS	OVERLAND	P KS	PARKER AND FOST	OVERLAND	P KS
BANNERS AND SIG	OVERLAND	P KS	PETERSONS ANTIQ	OVERLAND	P KS
BARRY SALES AND	OVERLAND	P KS	PHOTO QUIC	OVERLAND	P KS
BLUE M	OVERLAND	P KS	PRESENTATION/IM	OVERLAND	P KS
BOONTON ELECTRO	OVERLAND	P KS	PRODUCTION PROD	OVERLAND	P KS
BROOKRIDGE COUN	OVERLAND	P KS	R.A. BEHRMANN C	OVERLAND	P KS
BROOKS ELECTROM	OVERLAND	P KS	RACAL MILGO	OVERLAND	P KS
BUBECK SERVICE	OVERLAND	P KS	RADIATRONICS ND	OVERLAND	P KS
BUD STACK'S AUT	OVERLAND	P KS	RADIO CONTROLLE	OVERLAND	P KS
CAMERA CENTER	OVERLAND	P KS	SEARS BUSINESS	OVERLAND	P KS
CARLCO INCORPOR	OVERLAND	P KS	SEARS ROEBUCK A	OVERLAND	P KS
CENTRAL STATES	OVERLAND	P KS	SERVICE MERCHAN	OVERLAND	P KS
CENTURION INTER	OVERLAND	P KS	SKIL CORPORATIO	OVERLAND	P KS
COMMERCIAL CAPI	OVERLAND	P KS	SMOKEETER OF MI	OVERLAND	P KS
CONNECTING POIN	OVERLAND	P KS	SPECK WISE AND	OVERLAND	P KS
CONTINENTAL VID	OVERLAND	P KS	STURGIS EQUIPME	OVERLAND	P KS
CORPORATE ENVIR	OVERLAND	P KS	SYSTRON DONNER	OVERLAND	P KS
CRABTREE & EVEL	OVERLAND	P KS	TELECTRONICS IN	OVERLAND	P KS
DOUGLAS PUMP SE	OVERLAND	P KS	THE ANTENNA FAR	OVERLAND	P KS
DYNAMIC BUSINES	OVERLAND	P KS	THE FLOWER MAN	OVERLAND	P KS
ENFORCER INCORP	OVERLAND	P KS	THE STUDIO	OVERLAND	P KS
ENTIRE COMPUTER	OVERLAND	P KS	THE TIMKEN COMP	OVERLAND	P KS
ENTIRE SUPPLY	OVERLAND	P KS	THE VAC SHOP IN	OVERLAND	P KS
FARINON ELECTRI	OVERLAND	P KS	THE WOOD WORKS	OVERLAND	P KS
FLUIDTECH INC.	OVERLAND	P KS	TRANE COMPANY	OVERLAND	P KS
GANN ENTERPRISE	OVERLAND	P KS	TURNER CONSULTA	OVERLAND	P KS
GENERAL ELECTRI	OVERLAND	P KS	UNITED MIDWEST	OVERLAND	P KS
GRAPHIC CONTROL	OVERLAND	P KS	VERSATEC	OVERLAND	P KS
GRAY HILL SPECT	OVERLAND	P KS	VERY IMPORTANT	OVERLAND	P KS
HAROLD J CURRY	OVERLAND	P KS	WALDENBOOKS #45	OVERLAND	P KS
HOUSE OF FRAMES	OVERLAND	P KS	WESTBURNE SUPPL	OVERLAND	P KS
INLAND ASSOCIAT	OVERLAND	P KS	WORLEY ENTERPRI	OVERLAND	P KS
INTEGRATED MANA	OVERLAND	P KS	XEROX CORPORATI	OVERLAND	P KS
INIERGRAPH CORP	OVERLAND	P KS	KAN COMM	OXFORD	KS
J AND S TRAILER	OVERLAND	P KS	TRI-COMPANY CON	OXFORD	KS
J.J. MELCHIOR J	OVERLAND	P KS	D AND G MACHINE	PAOLA	KS
JIM'S LOCKSMITH	OVERLAND	P KS	J&J METAL PRODU	PAOLA	KS
KROHN-HITE	OVERLAND	P KS	GOODYEAR COMMER	PARK CITY	KS

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VENDOR	CITY	STATE	VENDOR	CITY	STATE
DAYTON SUPERIOR	PARSONS	KS	RADIO CAB-YELLO	SALINA	KS
HAMILTON TRENCH	PARSONS	KS	SALINA NUT BOLT	SALINA	KS
MCKINZIE SCHEND	PARSONS	KS	SALINE CO. HOXI	SALINA	KS
CITY OF PAWNEE	PAWNEE ROC	KS	SEARS	SALINA	KS
CITY OF PEABODY	PEABODY	KS	SKELGAS INC	SALINA	KS
MACKEY & SONS	PEABODY	KS	SMOOT GRAIN CO	SALINA	KS
A-1	PECK	KS	VERNON'S SUPPLY	SALINA	KS
BISHOPS CYCLE C	PERRY	KS	WASTE MANAGEMEN	SALINA	KS
N. R. HAMM QUAR	PERRY	KS	WILSON & COMPAN	SALINA	KS
KYLE RAILROAD C	PHILLIPSBU	KS	ZELLER BRAKE SE	SALINA	KS
BAR B. Q. RANCH	PITTSBURG	KS	MC DONALD OIL C	SATANTA	KS
CITY OF PITTSBU	PITTSBURG	KS	MCDONALD OIL CO	SATANTA	KS
JAMES J WOOD	PITTSBURG	KS	MCDONALD 66 SER	SATANTA	KS
MID-AMERICA SAN	PITTSBURG	KS	SATANTA AUTO CE	SATANTA	KS
MIDWEST MINERAL	PITTSBURG	KS	SATANTA COOPERA	SATANTA	KS
LEE E FIGGINS	POMONA	KS	SATANTA PRESSUR	SATANTA	KS
CALDWELL-BAKER	PRAIRIE VI	KS	SATANTA ROUSTAB	SATANTA	KS
GLASEAL, INC	PRAIRIE VI	KS	CONSTRUCTION RE	SCANDIA	KS
KANSAS NATIONAL	PRAIRIE VI	KS	BUMPS MOWING &	SCOTT CITY	KS
O.J. DU PREE CO	PRAIRIE VI	KS	SCOTT CITY GRAI	SCOTT CITY	KS
FRISBIE ICE COM	PRATT	KS	BESCO COMPUTERS	SHAWNEE	KS
SOUTHWEST TRUCK	PRATT	KS	CALKINS ELECTRI	SHAWNEE	KS
STROHL OIL CO	PRETTY PRA	KS	CLARK'S TOOL NU	SHAWNEE	KS
KNIGHT OIL INC	PRINCETON	KS	DAN EVANS 551-7	SHAWNEE	KS
BRADLEY ATCHISO	READING	KS	DEFFENBAUGH IND	SHAWNEE	KS
CITY OF READING	READING	KS	EDWARD RANDALL	SHAWNEE	KS
READING 66	READING	KS	EMERGENCY SAFET	SHAWNEE	KS
T AND H SAW AND	RILEY	KS	FLAGSOURCE UNLI	SHAWNEE	KS
BOB R MORGAN	ROELAND PA	KS	HARDING GLASS	SHAWNEE	KS
MORTON COUNTY W	ROLLA	KS	HOU-MAC CONSTRU	SHAWNEE	KS
BUTLER COUNTY R	ROSALIA	KS	JAYHAWK MASONRY	SHAWNEE	KS
ROSSVILLE TRUCK	ROSSVILLE	KS	JOHNNY ON THE S	SHAWNEE	KS
FARMERS CO-OP A	RUSH CENTE	KS	JOHNSON COUNTY	SHAWNEE	KS
AL'S CITY TAXI	SALINA	KS	KANSAS CITY CAT	SHAWNEE	KS
ALLIED MOBILE P	SALINA	KS	KIEF'S TRANSFER	SHAWNEE	KS
BERGKAMP INCORP	SALINA	KS	MAURER PAVING C	SHAWNEE	KS
BROWN WELDING S	SALINA	KS	MICKEY'S PARTY	SHAWNEE	KS
CENTRAL OFFICE	SALINA	KS	RENZENBERGER IN	SHAWNEE	KS
CONSTRUCTION RE	SALINA	KS	S.P.D. TRANSFER	SHAWNEE	KS
CONTINENTAL HYD	SALINA	KS	SEAL A LOT INC	SHAWNEE	KS
DEL'S ALTERNATO	SALINA	KS	SHAWNEE COPY CE	SHAWNEE	KS
DIESEL EQUIPMEN	SALINA	KS	SHAWNEE CYCLE P	SHAWNEE	KS
FERCO INCORPORA	SALINA	KS	TERMIHIX INTERN	SHAWNEE	KS
FINNEGANS	SALINA	KS	THE COPY CENTER	SHAWNEE	KS
FOOD SERVICES O	SALINA	KS	VAN'S FOOD CENT	SHAWNEE	KS
GINDER HYDRAULI	SALINA	KS	A M MULTIGRAPHI	SHAWNEE MI	KS
HOFF'S MACHINE	SALINA	KS	AMERICAN INDUST	SHAWNEE MI	KS
LIGHTNER WELDIN	SALINA	KS	ASH BATTERY SYS	SHAWNEE MI	KS
MCCORD TIRE CO	SALINA	KS	BRUNING	SHAWNEE MI	KS
OTT OIL COMPANY	SALINA	KS	C & B FLARE COM	SHAWNEE MI	KS
PAYLESS CASHWAY	SALINA	KS	C AND D POWER S	SHAWNEE MI	KS
PAYNE OIL, INCO	SALINA	KS	COMMUNICATIONS	SHAWNEE MI	KS
PEPSI-COLA BOTT	SALINA	KS	EASTMAN KODAK C	SHAWNEE MI	KS

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VENDOR	CITY	STATE	VENDOR	CITY	STATE
ELECTROREP INCO	SHAWNEE	MI KS	ST JOHN FARMERS	ST JOHN	KS
FLUID POWER SAL	SHAWNEE	MI KS	STAFFORD COUNTY	ST JOHN	KS
HEAVEN ENGINEER	SHAWNEE	MI KS	BEACHNER CONSTR	ST PAUL	KS
INDUSTRIAL SUPP	SHAWNEE	MI KS	O'BRIEN ROCK CO	ST PAUL	KS
J.L. GRADY COMP	SHAWNEE	MI KS	CITY OF STAFFOR	STAFFORD	KS
K-MART	SHAWNEE	MI KS	CLICK ELECTRIC	STAFFORD	KS
KANSAS CITY VAL	SHAWNEE	MI KS	ROUSH OIL COMPA	STAFFORD	KS
LAKELAND ENGINE	SHAWNEE	MI KS	STAFFORD COOP	STAFFORD	KS
LEEVEE AND ASSO	SHAWNEE	MI KS	ZENITH COOPERAT	STAFFORD	KS
MAX RIEKE & BRO	SHAWNEE	MI KS	ODONNELL & SONS	STANLEY	KS
MC ANANY CONSTR	SHAWNEE	MI KS	FARMERS COOPERA	STERLING	KS
MICROTRONICS IN	SHAWNEE	MI KS	TURNBULL ADVERT	STOCKTON	KS
MISSION OFFICE	SHAWNEE	MI KS	AUTO PARTS OF C	STRONG CIT	KS
MITCHELL SERVIC	SHAWNEE	MI KS	CLARK FARM AND	STRONG CIT	KS
NALCO CHEMICAL	SHAWNEE	MI KS	DIEKER OIL INCO	STRONG CIT	KS
NAMELY YOURS	SHAWNEE	MI KS	DIEKER OIL, INC	STRONG CIT	KS
OFFICE EQUIPMEN	SHAWNEE	MI KS	DIEKER STANDARD	STRONG CIT	KS
PETERSON BUSINE	SHAWNEE	MI KS	STUBENHOFER PLU	STRONG CIT	KS
PETERSON MACHIN	SHAWNEE	MI KS	LUCAS AND SONS	SUBLETTE	KS
PROCESS MEASURE	SHAWNEE	MI KS	THE SUBLETTE CO	SUBLETTE	KS
PRYOR RESOURCES	SHAWNEE	MI KS	SHELITE OIL COM	SUN CITY	KS
RIVARD & ASSOCI	SHAWNEE	MI KS	SYLVIA COOPERAT	SYLVIA	KS
RIVARD SALES CO	SHAWNEE	MI KS	D AND H OIL COM	SYRACUSE	KS
SCOTWOOD INDUST	SHAWNEE	MI KS	DOC'S CLEAR ICE	SYRACUSE	KS
SHAWNEE MISSION	SHAWNEE	MI KS	HAMILTON COUNTY	SYRACUSE	KS
SHAWNEE PRESS,	SHAWNEE	MI KS	TRIPLE-D AUTO P	SYRACUSE	KS
SHEET METAL SER	SHAWNEE	MI KS	FARMERS COOPERA	TALMAGE	KS
TARGET SPECIALT	SHAWNEE	MI KS	CARDIE OIL INCO	TAMPA	KS
THE DARLING ENV	SHAWNEE	MI KS	FORD'S LAUNDRY	TECUMSEH	KS
TRIANGLE SALES	SHAWNEE	MI KS	REX FORD	TECUMSEH	KS
UNISYS CORPORAT	SHAWNEE	MI KS	TOPEKA STEAK HO	TECUMSEH	KS
VALERON CORPORA	SHAWNEE	MI KS	INDUSTRIAL CRAT	THAYER	KS
WHITEHOUSE GALL	SHAWNEE	MI KS	JUDY WHEELER	THAYER	KS
WORD-TECH BUSIN	SHAWNEE	MI KS	A & A CONCRETE	TOPEKA	KS
YOUNG RADIATOR	SHAWNEE	MI KS	A E WEST PETROL	TOPEKA	KS
HAMILTON OIL CO	SILVER LAK	KS	A TO Z RENTAL I	TOPEKA	KS
ROBERSON LUMBER	SILVER LAK	KS	A-1 LOCK & KEY	TOPEKA	KS
TEXACO, INCORPO	SILVER LAK	KS	A-1 LOCK AND KE	TOPEKA	KS
UNIONGAS	SILVER LAK	KS	AAA ENGINE AND	TOPEKA	KS
EVANS RENTAL	SO HUTCHIN	KS	ABS, INC	TOPEKA	KS
DANNY J EWING	SOLOMON	KS	ACME RADIO SUPP	TOPEKA	KS
SOLOMON ELECTRI	SOLOMON	KS	ACTIVE COMMERC	TOPEKA	KS
SOUTH HAVEN L P	SOUTH HAVE	KS	AD EXCELLENCE	TOPEKA	KS
KANSAS ICE	SOUTH HUTC	KS	ADAMS BUSINESS	TOPEKA	KS
RENO COUNTY WEE	SOUTH HUTC	KS	ADMINISTRATIVE	TOPEKA	KS
STUTZMAN REFUSE	SOUTH HUTC	KS	ADVANCE ELECTRO	TOPEKA	KS
QUALITY PARTS A	SPEARVILLE	KS	ADVERTISING SER	TOPEKA	KS
RIGHT COOPERATI	SPEARVILLE	KS	ALLIED FLOORS I	TOPEKA	KS
SANKO'S SERVICE	SPEARVILLE	KS	ALLIED PAINTS I	TOPEKA	KS
WERHER PLUMBING	SPEARVILLE	KS	AMERICAN LINEN	TOPEKA	KS
HORTICULTURAL S	ST GEORGE	KS	AMERICAN PLAINS	TOPEKA	KS
GEE OIL SERVICE	ST JOHN	KS	AMERICAN PRE-SO	TOPEKA	KS
SOLID WASTE DEP	ST JOHN	KS	AMERICAN RED CR	TOPEKA	KS

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VENDOR	CITY	STATE	VENDOR	CITY	STATE
AMERIPLUS INCOR	TOPEKA	KS	CITY LAMP AND S	TOPEKA	KS
ASAYS SPORTSMAN	TOPEKA	KS	CITY OF TOPEKA	TOPEKA	KS
ASSOCIATED BEAR	TOPEKA	KS	CITY OF TOPEKA	TOPEKA	KS
AUTO PARTS OF E	TOPEKA	KS	CITYWIDE JANITO	TOPEKA	KS
AUTO PARTSMITH	TOPEKA	KS	CLARENCE RHAMBO	TOPEKA	KS
AUTOMATED BUSIN	TOPEKA	KS	CLARK AND ASSOC	TOPEKA	KS
B AND B SIGN CO	TOPEKA	KS	CLARK LIFT OF T	TOPEKA	KS
B AND B SIGNS	TOPEKA	KS	CLARKLIFT OF TO	TOPEKA	KS
B DALTON BOOKSE	TOPEKA	KS	COFFEE U.S.A. C	TOPEKA	KS
B. A. DURST CON	TOPEKA	KS	COKER ENGINE SE	TOPEKA	KS
BARTLETT AND WE	TOPEKA	KS	COLLEGE HILL PL	TOPEKA	KS
BASS PRO SHOP O	TOPEKA	KS	COLOR TILE SUPE	TOPEKA	KS
BEN FURBUSH CAR	TOPEKA	KS	COMMERCIAL OFFI	TOPEKA	KS
BERLIN - WHEEL	TOPEKA	KS	COMPUTERLAND	TOPEKA	KS
BERRY MATERIAL	TOPEKA	KS	CONCRETE SUPPLY	TOPEKA	KS
BERRY TRACTOR A	TOPEKA	KS	CONNER TILE AND	TOPEKA	KS
BEST OFFICE ERU	TOPEKA	KS	CONTECH CONSTRU	TOPEKA	KS
BEST WESTERN PA	TOPEKA	KS	CONTINENTAL CAR	TOPEKA	KS
BLACKBURN NURSE	TOPEKA	KS	CONTRACT DESIGN	TOPEKA	KS
BOATMEN'S FIRST	TOPEKA	KS	COOK, FLATT AND	TOPEKA	KS
BOB FLORENCE CO	TOPEKA	KS	COPE PLASTICS	TOPEKA	KS
BOB NEISWENDER	TOPEKA	KS	COPY CENTER OF	TOPEKA	KS
BOB'S JANITORIA	TOPEKA	KS	COPY PRODUCTS	TOPEKA	KS
BRENT PHOTOGRAP	TOPEKA	KS	CORCORAN CHEMIC	TOPEKA	KS
BROWN EXCAVATIO	TOPEKA	KS	COSTUMES ETC	TOPEKA	KS
BROWN TRANSPORT	TOPEKA	KS	COX & ASSOCIATE	TOPEKA	KS
BUBECK SERVICE	TOPEKA	KS	CREATIVE SIGNS	TOPEKA	KS
BUSH MANAGEMENT	TOPEKA	KS	CUMMINGS SUPPLY	TOPEKA	KS
C. W. PRINTS	TOPEKA	KS	CUMMINGS WELDIN	TOPEKA	KS
C.E. RITCHEY SI	TOPEKA	KS	CURTIS 1000	TOPEKA	KS
CAMBRIDGE LAWN	TOPEKA	KS	CUSTOM PHOTOGRA	TOPEKA	KS
CAPITAL BELT &	TOPEKA	KS	DAVIS CYCLE SHO	TOPEKA	KS
CAPITAL CITY MO	TOPEKA	KS	DAVIS SPORTS CY	TOPEKA	KS
CAPITAL CITY OI	TOPEKA	KS	DE BACKER'S INC	TOPEKA	KS
CAPITAL CITY RA	TOPEKA	KS	DEAN'S DUPLICAT	TOPEKA	KS
CAPITOL CITY OF	TOPEKA	KS	DEBAUGE & CO.,	TOPEKA	KS
CAPITOL CONCRET	TOPEKA	KS	DECKER OIL COMP	TOPEKA	KS
CARDINAL BUILDI	TOPEKA	KS	DEGGINGER FOUND	TOPEKA	KS
CARDINAL CHEMIC	TOPEKA	KS	DEPARTMENT OF H	TOPEKA	KS
CARLA'S TYPE IN	TOPEKA	KS	DESIGNED BUSINE	TOPEKA	KS
CARPET CENTER	TOPEKA	KS	DICTAPHONE CORP	TOPEKA	KS
CASH & CARRY IN	TOPEKA	KS	DILLONS #67	TOPEKA	KS
CASH AND CARRY	TOPEKA	KS	DISCOUNT OFFICE	TOPEKA	KS
CENTRAL OK PRIN	TOPEKA	KS	DODGE CARROLL E	TOPEKA	KS
CENTREX AUDIO V	TOPEKA	KS	DODGE MANUFACTU	TOPEKA	KS
CENTURY OFFICE	TOPEKA	KS	DON CRUMP TRUCK	TOPEKA	KS
CHAMPNEY WRECKI	TOPEKA	KS	DRINK-O-MAT CO.	TOPEKA	KS
CHEMLAWN SERVIC	TOPEKA	KS	DRIVE TRAIN INC	TOPEKA	KS
CHICAGO CENTRAL	TOPEKA	KS	DROSTE WELDING	TOPEKA	KS
CHICAGO MISSOUR	TOPEKA	KS	DRYWALL CONSTRU	TOPEKA	KS
CHICAGO, MISSOU	TOPEKA	KS	DUFFENS OPTICAL	TOPEKA	KS
CHIEF STATE BOI	TOPEKA	KS	DUNCAN DONUTS	TOPEKA	KS
CITY GLASS & MI	TOPEKA	KS	DUNKIN DONUTS	TOPEKA	KS

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VENDOR	CITY	STATE	VENDOR	CITY	STATE
E-KAN INCORPORATED	TOPEKA	KS	HINCKLEY AND SON	TOPEKA	KS
EBA MEDICAL CENTER	TOPEKA	KS	HOUSE OF FABRICS	TOPEKA	KS
ED BOZARTH CHEV	TOPEKA	KS	HYDRO-FLEX CORP	TOPEKA	KS
ED MARLING'S	TOPEKA	KS	IBM CORP	TOPEKA	KS
EKDAHL, DAVIS,	TOPEKA	KS	IBT	TOPEKA	KS
ELECTRONIC BUSINESS	TOPEKA	KS	INDEPENDENT ELECT	TOPEKA	KS
ENERGY MANAGEMENT	TOPEKA	KS	INDUSTRIAL BEAR	TOPEKA	KS
ENERGY MANAGEMENT	TOPEKA	KS	INDUSTRIAL CHROME	TOPEKA	KS
ENGROFF CATERING	TOPEKA	KS	INDUSTRIAL SUPPLY	TOPEKA	KS
ERNIE AND SONS	TOPEKA	KS	INDUSTRIAL SUPPLY	TOPEKA	KS
ESCO	TOPEKA	KS	INJECTION AND T	TOPEKA	KS
F S MEZGER	TOPEKA	KS	INLAND BUSINESS	TOPEKA	KS
FALLEYS INC	TOPEKA	KS	INTERIOR CONTRACT	TOPEKA	KS
FERROC-NAC-DE M	TOPEKA	KS	INTERNATIONAL B	TOPEKA	KS
FERROCARRIL SON	TOPEKA	KS	J A HUTCHISON 4	TOPEKA	KS
FERROCARRILES N	TOPEKA	KS	J F G COPY PROD	TOPEKA	KS
FINCHAM SERVICE	TOPEKA	KS	J F GLENN COPY	TOPEKA	KS
FIRESTONE STORE	TOPEKA	KS	J M BAUERSFELDS	TOPEKA	KS
FLOWERS ELECTRIC	TOPEKA	KS	J R TRANSPORT	TOPEKA	KS
FLOYD'S DAYLIGHT	TOPEKA	KS	J. C. DARLING S	TOPEKA	KS
FLU-CON INCORPORATED	TOPEKA	KS	J.C. DARLING CO	TOPEKA	KS
FORDS ECONO-WAS	TOPEKA	KS	J.F. MCGIVERN,	TOPEKA	KS
FRAKES TRUCKING	TOPEKA	KS	J-WAY INC	TOPEKA	KS
FRAME SHOP AND	TOPEKA	KS	JERRY J DURKES	TOPEKA	KS
FRAMESHOP AND G	TOPEKA	KS	JOE CONROY CONT	TOPEKA	KS
FUN FOR ALL	TOPEKA	KS	JOSTEN'S	TOPEKA	KS
G R HEWELL, FOR	TOPEKA	KS	JOSTENS-THE CLA	TOPEKA	KS
GARDNER FLOOR C	TOPEKA	KS	K-MART	TOPEKA	KS
GATOR PUMP INCO	TOPEKA	KS	K-W POWER EQUIP	TOPEKA	KS
GENERAL BEVERAGE	TOPEKA	KS	KANSAS AUTOMOTIVE	TOPEKA	KS
GENERAL TIRE SE	TOPEKA	KS	KANSAS BAR AND	TOPEKA	KS
GEORGIA PACIFIC	TOPEKA	KS	KANSAS DEPARTMENT	TOPEKA	KS
GOLD SPECIALTIES	TOPEKA	KS	KANSAS DEPT OF	TOPEKA	KS
GRAGG'S PAINT C	TOPEKA	KS	KANSAS DIV OF I	TOPEKA	KS
GRAGGS PAINT AN	TOPEKA	KS	KANSAS ELECTRIC	TOPEKA	KS
GRAPHIC PROMOTION	TOPEKA	KS	KANSAS FIRE-& S	TOPEKA	KS
GREGG TIRE COMPANY	TOPEKA	KS	KANSAS INDUSTRIAL	TOPEKA	KS
GROVER'S SMOKEH	TOPEKA	KS	KANSAS MOTOR CA	TOPEKA	KS
H G TRESSLER	TOPEKA	KS	KANSAS PRESS SE	TOPEKA	KS
H.M. IVES AND S	TOPEKA	KS	KANSAS SAND AND	TOPEKA	KS
HABERKORN AND S	TOPEKA	KS	KANSAS STATE GR	TOPEKA	KS
HALCO INCORPORATED	TOPEKA	KS	KANSAS STATE HI	TOPEKA	KS
HALL DIRECTORY	TOPEKA	KS	KAW VALLEY PROD	TOPEKA	KS
HALL LITHOGRAPH	TOPEKA	KS	KCR INTERNATIONAL	TOPEKA	KS
HAMMAN AND ASSO	TOPEKA	KS	KEN'S STEEL OFF	TOPEKA	KS
HANCOCK FABRICS	TOPEKA	KS	KENS STEEL OFFI	TOPEKA	KS
HARDING GLASS I	TOPEKA	KS	KIENE AND BRADL	TOPEKA	KS
HERRMANS EXCAVATION	TOPEKA	KS	KING LUMBER COM	TOPEKA	KS
HIGHLAND MILL I	TOPEKA	KS	KINKO'S	TOPEKA	KS
HILL AND COMPANY	TOPEKA	KS	KIRBY COMPANY O	TOPEKA	KS
HILLMER LEATHER	TOPEKA	KS	KNOLL WELDING S	TOPEKA	KS
HILTI FASTENING	TOPEKA	KS	KNOX SUPPLY INC	TOPEKA	KS
HILTS, INCORPORATED	TOPEKA	KS	KRIZ-DAVIS OF K	TOPEKA	KS

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VENDOR	CITY	STATE	VENDOR	CITY	STATE
LABOR CONTRACTO	TOPEKA	KS	NEENAN COMPANY	TOPEKA	KS
LAIRD HOLLER FO	TOPEKA	KS	NEON TUBE LIGHT	TOPEKA	KS
LAIRD HOLLER FO	TOPEKA	KS	NINTH STREET PA	TOPEKA	KS
LAND RAIL SYSTE	TOPEKA	KS	NOBLE CORP.	TOPEKA	KS
LATIMER, SOMMER	TOPEKA	KS	NORTH EAST KANS	TOPEKA	KS
LATTA-WHITLOW	TOPEKA	KS	NORTHEAST KANSA	TOPEKA	KS
LEE T. MOORE CO	TOPEKA	KS	NORTHSIDE POOL	TOPEKA	KS
LIGHTNER WELDIN	TOPEKA	KS	OFFICE EQUIPMEN	TOPEKA	KS
LINDA LEE DESIG	TOPEKA	KS	ORKIN EXTERMINA	TOPEKA	KS
LINDSAY DISTRIB	TOPEKA	KS	ORKIN PEST CONT	TOPEKA	KS
LOCKWOOD COMPAN	TOPEKA	KS	ORTHOPEDIC CLIN	TOPEKA	KS
LOGAN BUSINESS	TOPEKA	KS	OXYGEN SERVICE	TOPEKA	KS
LORD'S CREATION	TOPEKA	KS	P.P.S. CORPORAT	TOPEKA	KS
LUCKY FIVE REST	TOPEKA	KS	PARAMOUNT PEST	TOPEKA	KS
M D CHEMICAL AN	TOPEKA	KS	PARTY TYME UNLI	TOPEKA	KS
M KATCH AND COM	TOPEKA	KS	PAULINE TIRE AN	TOPEKA	KS
MAGIC 1 HR. PHO	TOPEKA	KS	PAY 'N PAK	TOPEKA	KS
MAINLINE PRINTI	TOPEKA	KS	PENN STATE OIL	TOPEKA	KS
MAJOR APPLIANCE	TOPEKA	KS	PENNCO, INC.	TOPEKA	KS
MARTIN TRACTOR	TOPEKA	KS	PEPSI-COLA BOTT	TOPEKA	KS
MARTIN TRACTOR	TOPEKA	KS	PERINE IRON WOR	TOPEKA	KS
MASSCO INCORPOR	TOPEKA	KS	PETERS ELECTRIC	TOPEKA	KS
MATCO TOOLS	TOPEKA	KS	PETERSON SYSTEM	TOPEKA	KS
MATHER FLARE RE	TOPEKA	KS	PICTURE FRAME W	TOPEKA	KS
MC ELROYS, INCO	TOPEKA	KS	PIITNEY BOWES	TOPEKA	KS
MC ENTIRE BROTH	TOPEKA	KS	PIZZA PARLOR	TOPEKA	KS
MCELROY'S INC.	TOPEKA	KS	POSTMASTER	TOPEKA	KS
MEEKS INCORPORA	TOPEKA	KS	POSTMASTER - TO	TOPEKA	KS
MEIER'S READY M	TOPEKA	KS	POSTMASTER - TO	TOPEKA	KS
MELVIN L. ZELLE	TOPEKA	KS	POSTMASTER BROW	TOPEKA	KS
MEMOREX TELEX I	TOPEKA	KS	PRICE EQUIPMENT	TOPEKA	KS
METRO PLEX	TOPEKA	KS	PRIDE TROPHY IN	TOPEKA	KS
METZGER TENT RE	TOPEKA	KS	PRO-PRINT INC	TOPEKA	KS
MEXICAN GOVERN	TOPEKA	KS	PTMW INCORPORAT	TOPEKA	KS
MICROTECH COMPU	TOPEKA	KS	QUIK PRINT	TOPEKA	KS
MIDWEST BANDAG	TOPEKA	KS	R AND K SUPPLY	TOPEKA	KS
MIDWEST LITHO S	TOPEKA	KS	R NEIL CROW	TOPEKA	KS
MIDWEST MACHINE	TOPEKA	KS	RADIO SHACK	TOPEKA	KS
MIDWEST MILL WO	TOPEKA	KS	RANDEL COMPANY	TOPEKA	KS
MIDWEST OFFICE	TOPEKA	KS	RAY ANDERSON CO	TOPEKA	KS
MIKE'S IGA	TOPEKA	KS	RAY BEERS CLOTH	TOPEKA	KS
MOBILFONE OF KA	TOPEKA	KS	RAYNOR DOOR COM	TOPEKA	KS
MODERN OFFICE M	TOPEKA	KS	RED CARPET V.I.	TOPEKA	KS
MONTGOMERY DOOR	TOPEKA	KS	REEVES WIEDEMAN	TOPEKA	KS
MONTGOMERY WARD	TOPEKA	KS	REFRIGERATION E	TOPEKA	KS
MOORE BUSINESS	TOPEKA	KS	REMAX RV	TOPEKA	KS
MUCKENTHALER IN	TOPEKA	KS	RENSENHOUSE ELE	TOPEKA	KS
MUNICIPAL PARKI	TOPEKA	KS	REW MATERIALS I	TOPEKA	KS
MURPHY TRACTOR	TOPEKA	KS	RINEHART ROOFIN	TOPEKA	KS
NAPA AUTO SUPPL	TOPEKA	KS	RINNER CONSTRUC	TOPEKA	KS
NAPA PARTS OF E	TOPEKA	KS	RITCHEY SIGNS A	TOPEKA	KS
NATHAN'S PHOTO	TOPEKA	KS	ROACH HARDWARE	TOPEKA	KS
NATIONWIDE PAPE	TOPEKA	KS	ROACH HARDWARE	TOPEKA	KS

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VENDOR	CITY	STATE	VENDOR	CITY	STATE
ROBERT C TAGGAR	TOPEKA	KS	THRIFTWAY, INC.	TOPEKA	KS
ROLLING MEADOWS	TOPEKA	KS	TIMKEN BEARING	TOPEKA	KS
RUBBER MATERIAL	TOPEKA	KS	TOKAN	TOPEKA	KS
RUDY TORRES EXC	TOPEKA	KS	TOPEKA BATTERY	TOPEKA	KS
SAFELITE SERVIC	TOPEKA	KS	TOPEKA BLUEPRIN	TOPEKA	KS
SALISBURY SUPPL	TOPEKA	KS	TOPEKA ELECTRIC	TOPEKA	KS
SALISBURY SUPPL	TOPEKA	KS	TOPEKA ELECTRIC	TOPEKA	KS
SCHMIDTLEIN EXC	TOPEKA	KS	TOPEKA EVERGREE	TOPEKA	KS
SCOTCH FABRIC C	TOPEKA	KS	TOPEKA FOUNDRY	TOPEKA	KS
SCOTCH TEXTILE	TOPEKA	KS	TOPEKA GENERATO	TOPEKA	KS
SEARS ROEBUCK A	TOPEKA	KS	TOPEKA HYDRAULI	TOPEKA	KS
SEARS, ROEBUCK	TOPEKA	KS	TOPEKA INSULATI	TOPEKA	KS
SELLERS TRACTOR	TOPEKA	KS	TOPEKA KNIGHTS	TOPEKA	KS
SERVICE AMERICA	TOPEKA	KS	TOPEKA LUMBER I	TOPEKA	KS
SERVICEMASTER	TOPEKA	KS	TOPEKA MARINE	TOPEKA	KS
SEWELL OIL COMP	TOPEKA	KS	TOPEKA METAL SP	TOPEKA	KS
SHAWNEE COUNTY	TOPEKA	KS	TOPEKA PUMP COM	TOPEKA	KS
SHAWNEE COUNTY	TOPEKA	KS	TOPEKA SERVICES	TOPEKA	KS
SHAWNEE COUNTY	TOPEKA	KS	TOPEKA SUPPLY A	TOPEKA	KS
SIMPLEX TIME RE	TOPEKA	KS	TOPEKA TENT AND	TOPEKA	KS
SKELGAS SERVICE	TOPEKA	KS	TOPEKA WASTE SY	TOPEKA	KS
SMITH AUDIO VIS	TOPEKA	KS	TORGESON ELECTR	TOPEKA	KS
SNYDER STAMP AN	TOPEKA	KS	TOWNSEND GLASS	TOPEKA	KS
SOLID STATE SON	TOPEKA	KS	TRACTOR SUPPLY	TOPEKA	KS
SOLUTION SYSTEM	TOPEKA	KS	TRI-STATE PETRO	TOPEKA	KS
SOUND RECORDING	TOPEKA	KS	TRUCK & FLEET R	TOPEKA	KS
SPORT ANDERSON	TOPEKA	KS	TRUCK AND FLEET	TOPEKA	KS
STANDARD REGIST	TOPEKA	KS	TUROUDISE AND T	TOPEKA	KS
STANION WHOLESA	TOPEKA	KS	U S POSTAL SERV	TOPEKA	KS
STATE OFFICE SY	TOPEKA	KS	U S POSTMASTER-	TOPEKA	KS
STEERBRIDGE LOG	TOPEKA	KS	U. S. POSIMASTE	TOPEKA	KS
STEVENSON COMPA	TOPEKA	KS	U. S. SUPPLY CO	TOPEKA	KS
STOFFLE MEAT CO	TOPEKA	KS	U. Z. ENGINEERE	TOPEKA	KS
STORMONT-VAIL R	TOPEKA	KS	VERN'S WELDING	TOPEKA	KS
STREIT LINE PUB	TOPEKA	KS	VETERANS ADMINI	TOPEKA	KS
STREITLINE RECH	TOPEKA	KS	VICTOR L PHILLI	TOPEKA	KS
STROBEL MOWER A	TOPEKA	KS	VINCENT ROOFING	TOPEKA	KS
SUNFLOWER RENTS	TOPEKA	KS	W.W. GRAINGER,	TOPEKA	KS
SUNRISE DONUT S	TOPEKA	KS	WAGNER MUDJACKI	TOPEKA	KS
SUNRISE UPHOLST	TOPEKA	KS	WASH ON WHEELS,	TOPEKA	KS
SUPERIOR SUPPLY	TOPEKA	KS	WASINGER BUSINE	TOPEKA	KS
TARWATER FARMS	TOPEKA	KS	WASTE MANAGEMEN	TOPEKA	KS
TARWATERS TOO	TOPEKA	KS	WATER CONDITION	TOPEKA	KS
TED HUTCHESON P	TOPEKA	KS	WELDERS PRODUCT	TOPEKA	KS
TEFFT AND DONAL	TOPEKA	KS	WERTZBERGER FUR	TOPEKA	KS
TERMINIX INTERN	TOPEKA	KS	WEST SIDE STAMP	TOPEKA	KS
THE BEAUCHAMP F	TOPEKA	KS	WESTERN ASSOCIA	TOPEKA	KS
THE COMPUTER PA	TOPEKA	KS	WESTERN EXTRALI	TOPEKA	KS
THE COSTELOW CO	TOPEKA	KS	WESTERN UNIFORM	TOPEKA	KS
THE KAW VALLEY	TOPEKA	KS	WESTSIDE APPLIA	TOPEKA	KS
THE PAULINE FAR	TOPEKA	KS	WESTSIDE STAMP	TOPEKA	KS
THE STANDARD HA	TOPEKA	KS	WHELANS INCORPO	TOPEKA	KS
THOROUGHBFRED CO	TOPEKA	KS	WHITE STAR MACH	TOPEKA	KS

VENDOR PURCHASES BY VENDOR, BY CITY, BY STATE
DURING 1989

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VENDOR	CITY	STATE	VENDOR	CITY	STATE
WILCH MANUFACTU	TOPEKA	KS	REID STANDARD S	WELLINGTON	KS
WILCOX HOMES AN	TOPEKA	KS	RUSSELL EXCAVAT	WELLINGTON	KS
WOLFES CAMERA A	TOPEKA	KS	SMITH BUILDING	WELLINGTON	KS
WOODYS RADIATOR	TOPEKA	KS	SOUTH CENTRAL A	WELLINGTON	KS
WORD-DATA-COMM	TOPEKA	KS	SPARKLING CLEAN	WELLINGTON	KS
YELLOW CAB COMP	TOPEKA	KS	STALCUP & STALC	WELLINGTON	KS
YOUNG'S, INC.	TOPEKA	KS	STRADER OIL CO	WELLINGTON	KS
ZERCHER PHOTO I	TOPEKA	KS	SUMNER COUNTY L	WELLINGTON	KS
M & M CONTRACTI	TYRO	KS	SUMNER COUNTY W	WELLINGTON	KS
KISTLER SERVICE	UDALL	KS	TACKETT PLUMBIN	WELLINGTON	KS
ALFA WELL SERVI	ULYSSES	KS	THE HARDWARE ST	WELLINGTON	KS
CALDWELL MACHIN	ULYSSES	KS	THE TIN SHOP	WELLINGTON	KS
CARPENTER SERVI	ULYSSES	KS	THOMAS BUILDING	WELLINGTON	KS
GRANT COUNTY FE	ULYSSES	KS	VINCE ERWIN GLA	WELLINGTON	KS
JIM WILSON CRAN	ULYSSES	KS	WELLINGTON AUTO	WELLINGTON	KS
MERRITT OIL COM	ULYSSES	KS	WELLINGTON IMPL	WELLINGTON	KS
WEBBER SUPPLY C	ULYSSES	KS	WELLINGTON MEMO	WELLINGTON	KS
BARTON SOLVENT	VALLEY CEN	KS	WELLINGTON RADI	WELLINGTON	KS
CHEM-DRY OF WIC	VALLEY CEN	KS	WELLINGTON READ	WELLINGTON	KS
DITCH WITCH OF	VALLEY CEN	KS	WHIT'S 66	WELLINGTON	KS
A-1 APPLIANCE R	WAKARUSA	KS	WHITS 66	WELLINGTON	KS
DALE CARLS	WAKARUSA	KS	CRIST GROCERY	WELLSVILLE	KS
CITY OF WALTON	WALTON	KS	EAST KANSAS CHE	WELLSVILLE	KS
FARMERS GRAIN C	WALTON	KS	A.E. PETSCH CO	WICHITA	KS
RWD #4, OSAGE C	WAVERLY	KS	A-ONE PROPANE G	WICHITA	KS
AMOCO FOOD SHOP	WELLINGTON	KS	A-1 SANITATION	WICHITA	KS
AUTO MART OF WE	WELLINGTON	KS	AAA RENT ALL	WICHITA	KS
BAILLYS FARM AN	WELLINGTON	KS	AAA RENT-ALL-SO	WICHITA	KS
BRIAN'S MOWER S	WELLINGTON	KS	ACTION CLEANING	WICHITA	KS
CARROLL GLASS S	WELLINGTON	KS	AFCO METALS INC	WICHITA	KS
CITY OF WELLING	WELLINGTON	KS	AIR CAPITAL EQU	WICHITA	KS
DAVIS AUTOMOTIV	WELLINGTON	KS	AIRCO SERVICE S	WICHITA	KS
DAYLIGHT DONUT	WELLINGTON	KS	ALLEN AUTOMOTIV	WICHITA	KS
FARMERS CO-OP G	WELLINGTON	KS	ALLEN WELDING E	WICHITA	KS
FEDERAL TIRE CO	WELLINGTON	KS	ALLEN'S CONCRET	WICHITA	KS
FULLERTON PRINT	WELLINGTON	KS	ALLEN'S TIRE	WICHITA	KS
GEO RAYL & SON'	WELLINGTON	KS	AMERICAN ELECTR	WICHITA	KS
GREENO INDUSTRI	WELLINGTON	KS	AMERICAN ELECTR	WICHITA	KS
GREENS INDUSTRI	WELLINGTON	KS	AMERICAN HEART	WICHITA	KS
HORSCH OIL COMP	WELLINGTON	KS	AMERICAN VIDEO	WICHITA	KS
JARVIS AUTO SUP	WELLINGTON	KS	ASSOCIATED INDU	WICHITA	KS
K & R SHARPENIN	WELLINGTON	KS	AUSTIN DISTRIBU	WICHITA	KS
MARTIN ELECTRIC	WELLINGTON	KS	AUTO PARTS OF W	WICHITA	KS
MARTINS AUTO PA	WELLINGTON	KS	B & J WELDING	WICHITA	KS
MARV'S METAL SH	WELLINGTON	KS	B F I OF KANSAS	WICHITA	KS
MC ALISTER OIL	WELLINGTON	KS	B R C BEARING C	WICHITA	KS
MCCREARY'S INC	WELLINGTON	KS	B.J. ALBERTS CO	WICHITA	KS
MIKE'S SEPTIC T	WELLINGTON	KS	BAILEY MANUFACT	WICHITA	KS
NICHOLS ELECTRI	WELLINGTON	KS	BAKER FLUID POW	WICHITA	KS
PARTS PLUS	WELLINGTON	KS	BAKER FLUID POW	WICHITA	KS
POSTMASTER	WELLINGTON	KS	BEARING DISTRIB	WICHITA	KS
PRO-MILL CO	WELLINGTON	KS	BELL WELDING AN	WICHITA	KS
RAUSCH TIRE & E	WELLINGTON	KS	BEN TAYLOR TRAS	WICHITA	KS

VENDOR PURCHASES BY VENDOR, BY CITY, BY STATE
DURING 1989

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VENDOR	CITY	STATE	VENDOR	CITY	STATE
BERRY MATERIAL	WICHITA	KS	GOLDSMITHS INCO	WICHITA	KS
BERRY TRACTOR A	WICHITA	KS	GREDE FOUNDRIES	WICHITA	KS
BEST CABS INC	WICHITA	KS	H/S PRODUCTS IN	WICHITA	KS
BEST SUPPLY COM	WICHITA	KS	HALLS WATER CON	WICHITA	KS
BLASI TIRE CENT	WICHITA	KS	HAMMEL SCALE CO	WICHITA	KS
BROWN WELDING S	WICHITA	KS	HAMPEL OIL DIST	WICHITA	KS
BROWNING-FERRIS	WICHITA	KS	HARLEY EQUIPMEN	WICHITA	KS
BUCKLEY INDUSTR	WICHITA	KS	HARLEY INDUSTRI	WICHITA	KS
BUSINESS SYSTEM	WICHITA	KS	HESSTON BUSINES	WICHITA	KS
C & C EQUIPMENT	WICHITA	KS	HILTS, INCORPOR	WICHITA	KS
C AND C EQUIPME	WICHITA	KS	HOTSY OF KANSAS	WICHITA	KS
CAP'S STEAM CLE	WICHITA	KS	HYDRAULIC SPECI	WICHITA	KS
CARTWRIGHT MAC'	WICHITA	KS	HYSPECO INCORPO	WICHITA	KS
CASE POWER AND	WICHITA	KS	IBT INCORPORATE	WICHITA	KS
CENTRAL KEY & S	WICHITA	KS	INDEPENDENT WIN	WICHITA	KS
CENTRAL PLAINS	WICHITA	KS	INDUSTRIAL BEAR	WICHITA	KS
CENTRAL SERVICE	WICHITA	KS	INDUSTRIAL MAIN	WICHITA	KS
CHRISTOPHER STE	WICHITA	KS	INLAND TRUCK PA	WICHITA	KS
CITY OF WICHITA	WICHITA	KS	INTERLINK COMMU	WICHITA	KS
CLAUDE MANN AND	WICHITA	KS	J AND B SALES	WICHITA	KS
CODE-A-CALL COM	WICHITA	KS	J N J TRUST	WICHITA	KS
COFFEE TIME INC	WICHITA	KS	JIMMIE JONES CO	WICHITA	KS
COLOR CRAFT COR	WICHITA	KS	JOAN B MASON	WICHITA	KS
CONCRETE ACCESS	WICHITA	KS	JOHNNY ON THE S	WICHITA	KS
CONCRETE ACCESS	WICHITA	KS	JOHNSON LP GAS	WICHITA	KS
CONTAINER HANDL	WICHITA	KS	JOHNSON PROPANE	WICHITA	KS
COOLWATER INN	WICHITA	KS	JOHNSTONE SUPPL	WICHITA	KS
COWIE ELECTRIC	WICHITA	KS	JONA TRUCK LINE	WICHITA	KS
COX INDUSTRIAL	WICHITA	KS	K AND N MOTORCY	WICHITA	KS
CRANE SUPPLY	WICHITA	KS	KAMEN WIPING MA	WICHITA	KS
CRANE SUPPLY CO	WICHITA	KS	KANSAS BATTERY	WICHITA	KS
CROWN PRODUCTS	WICHITA	KS	KANSAS BLUE PRI	WICHITA	KS
CULLUM & BROWN	WICHITA	KS	KANSAS FIRE EQU	WICHITA	KS
CUMMINS MID-AME	WICHITA	KS	KANSAS FORKLIFT	WICHITA	KS
CYLINDER HEAD R	WICHITA	KS	KANSAS GAS AND	WICHITA	KS
DALE MCKEE ELEC	WICHITA	KS	KANSAS TRUCK EO	WICHITA	KS
DAVIS AUDIO-VIS	WICHITA	KS	KANSAS TURNPIKE	WICHITA	KS
DELTA ELECTRIC	WICHITA	KS	KANSAS-OKLAHOMA	WICHITA	KS
DIESEL EQUIPMEN	WICHITA	KS	KRIZ-DAVIS CO.	WICHITA	KS
DILLON TIRE OF	WICHITA	KS	L S INDUSTRIES	WICHITA	KS
DISTRIBUTOR TO	WICHITA	KS	L.D. SUPPLY, IN	WICHITA	KS
DUFFENS OPTICAL	WICHITA	KS	LAMPTON WELDING	WICHITA	KS
EHRlich ELECTRI	WICHITA	KS	LASER SPECIALTI	WICHITA	KS
ENGINEERED MATE	WICHITA	KS	LIFT PARTS SEKV	WICHITA	KS
ENGINEERING TES	WICHITA	KS	LOVE PACKAGING	WICHITA	KS
EPS EQUIPMENT I	WICHITA	KS	M T S AND SUPPL	WICHITA	KS
ERNSTMANN MACHI	WICHITA	KS	MADILL CARBIDE	WICHITA	KS
FIBRX	WICHITA	KS	MAINTENANCE SUP	WICHITA	KS
FLASHER COMPANY	WICHITA	KS	MANUFACTURING T	WICHITA	KS
FOLEY TRACTOR C	WICHITA	KS	MATERIAL HANDLI	WICHITA	KS
G T SALES AND M	WICHITA	KS	MCCLELLAND SOUH	WICHITA	KS
GARRISON TIRE C	WICHITA	KS	MEGA/DEANCO	WICHITA	KS
GENERAL ELECTRI	WICHITA	KS	METAL ARTS INCO	WICHITA	KS

VENDOR PURCHASES BY VENDOR, BY CITY, BY STATE
DURING 1989

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VENDOR	CITY	STATE	VENDOR	CITY	STATE
METER ENGINEERS	WICHITA	KS	SELLERS TRACTOR	WICHITA	KS
MID CONTINENT F	WICHITA	KS	SERVICE CHEMICAL	WICHITA	KS
MID KANSAS CONS	WICHITA	KS	SHAMROCK TIRE	WICHITA	KS
MIDWESTERN INSU	WICHITA	KS	SHARPENING SPEC	WICHITA	KS
MORGAN-BULLEIGH	WICHITA	KS	SHERWIN-WILLIAM	WICHITA	KS
MOTOR MACHINE A	WICHITA	KS	SHIPLEY TIRE IN	WICHITA	KS
MPM CONTRACTORS	WICHITA	KS	SISCO EQUIPMENT	WICHITA	KS
MURDOCK ELECTRI	WICHITA	KS	SISCO INCORPORA	WICHITA	KS
MURDOCK INDUSTR	WICHITA	KS	SPRAY EQUIPMENT	WICHITA	KS
MURPHY TRACTOR	WICHITA	KS	SPRAY EQUIPMENT	WICHITA	KS
NAPA AUTO PARTS	WICHITA	KS	STANION WHOLESA	WICHITA	KS
NEWTON APPLIANC	WICHITA	KS	STEEL STRUCTURE	WICHITA	KS
NICHOLS HONDA S	WICHITA	KS	STEVIE JOHNSON C	WICHITA	KS
NICHOLS MOTORS	WICHITA	KS	SUNFLOWER SUPPL	WICHITA	KS
OFFICE INSTALLA	WICHITA	KS	SUPERIOR COMPUT	WICHITA	KS
OVERHEAD DOOR C	WICHITA	KS	SUPERIOR RUBBER	WICHITA	KS
P B HOIDALE COM	WICHITA	KS	SUPERIOR SERVIC	WICHITA	KS
PARTS PLUS	WICHITA	KS	SUPERIOR SUPPLY	WICHITA	KS
PARTY PAK ICE	WICHITA	KS	SUTHERLAND LUMB	WICHITA	KS
PAYLESS CASHWAY	WICHITA	KS	SYSTEMS MACHINE	WICHITA	KS
PEPSI-COLA BOTT	WICHITA	KS	TARGET REFRIGER	WICHITA	KS
PIONEER MATERIA	WICHITA	KS	TERMINIX, INC	WICHITA	KS
PIPING SYSTEMS	WICHITA	KS	THE DENNY KLEPP	WICHITA	KS
PITNEY BOWES IN	WICHITA	KS	THE JIMMIE JONE	WICHITA	KS
PLAZA RENTAL &	WICHITA	KS	THE METER SHOP	WICHITA	KS
POWER DRIVE, IN	WICHITA	KS	THE RIGGING LOF	WICHITA	KS
PRESSURE SYSTEM	WICHITA	KS	THE WALT KEELER	WICHITA	KS
PRESTIGE COFFEE	WICHITA	KS	THE WINDSHIELD	WICHITA	KS
PRICE BROS. EQU	WICHITA	KS	THOMPSON DIESEL	WICHITA	KS
PROTECTION SERV	WICHITA	KS	THREE WAY PATTE	WICHITA	KS
QUICK TRANSFER	WICHITA	KS	TRI RENTAL AND	WICHITA	KS
R.J. ELLIS COMP	WICHITA	KS	TRUCK PARTS AND	WICHITA	KS
RADIO SUPPLY CO	WICHITA	KS	TRUCK STUFF INC	WICHITA	KS
RAYCHEM CORPORA	WICHITA	KS	TWIN POWER INC	WICHITA	KS
RAZAK ENGINEERI	WICHITA	KS	TWIN POWER INCO	WICHITA	KS
RED CARPET CAR	WICHITA	KS	TWIN POWER, INC	WICHITA	KS
REDDI ROOTR	WICHITA	KS	U.S. MACHINERY	WICHITA	KS
REDNECK TRAILER	WICHITA	KS	UNIREX INCORPOR	WICHITA	KS
REEVES WIEDEMAN	WICHITA	KS	UNIVERSAL MOTOR	WICHITA	KS
RICH MIX CONSTR	WICHITA	KS	UTILITY TRAILER	WICHITA	KS
RICH MIX PRODUC	WICHITA	KS	VARSAITY SPORTS	WICHITA	KS
RICH-MIX PRODUC	WICHITA	KS	VICTOR CLARK HA	WICHITA	KS
RICHMOND ELECTR	WICHITA	KS	VICTOR L PHILLI	WICHITA	KS
RITCHIE PAVING	WICHITA	KS	W.W. GRAINGER,	WICHITA	KS
RODMAN TIRE	WICHITA	KS	WASHER SPECIALT	WICHITA	KS
ROLFE'S JANITOR	WICHITA	KS	WASTE MANAGEMEN	WICHITA	KS
ROYAL SUPPLY, I	WICHITA	KS	WATKINS, INCORP	WICHITA	KS
RSC ELECTRONICS	WICHITA	KS	WEATHERDATA INC	WICHITA	KS
RUBBER SUPPLY I	WICHITA	KS	WESTERN KANSAS	WICHITA	KS
R3 GROUP	WICHITA	KS	WHITE STAR MACH	WICHITA	KS
SCOTTY CLARK PL	WICHITA	KS	WICHITA AIR & H	WICHITA	KS
SEARS AND ROEBU	WICHITA	KS	WICHITA AIR FIL	WICHITA	KS
SEDGWICK COUNTY	WICHITA	KS	WICHITA BURNER	WICHITA	KS

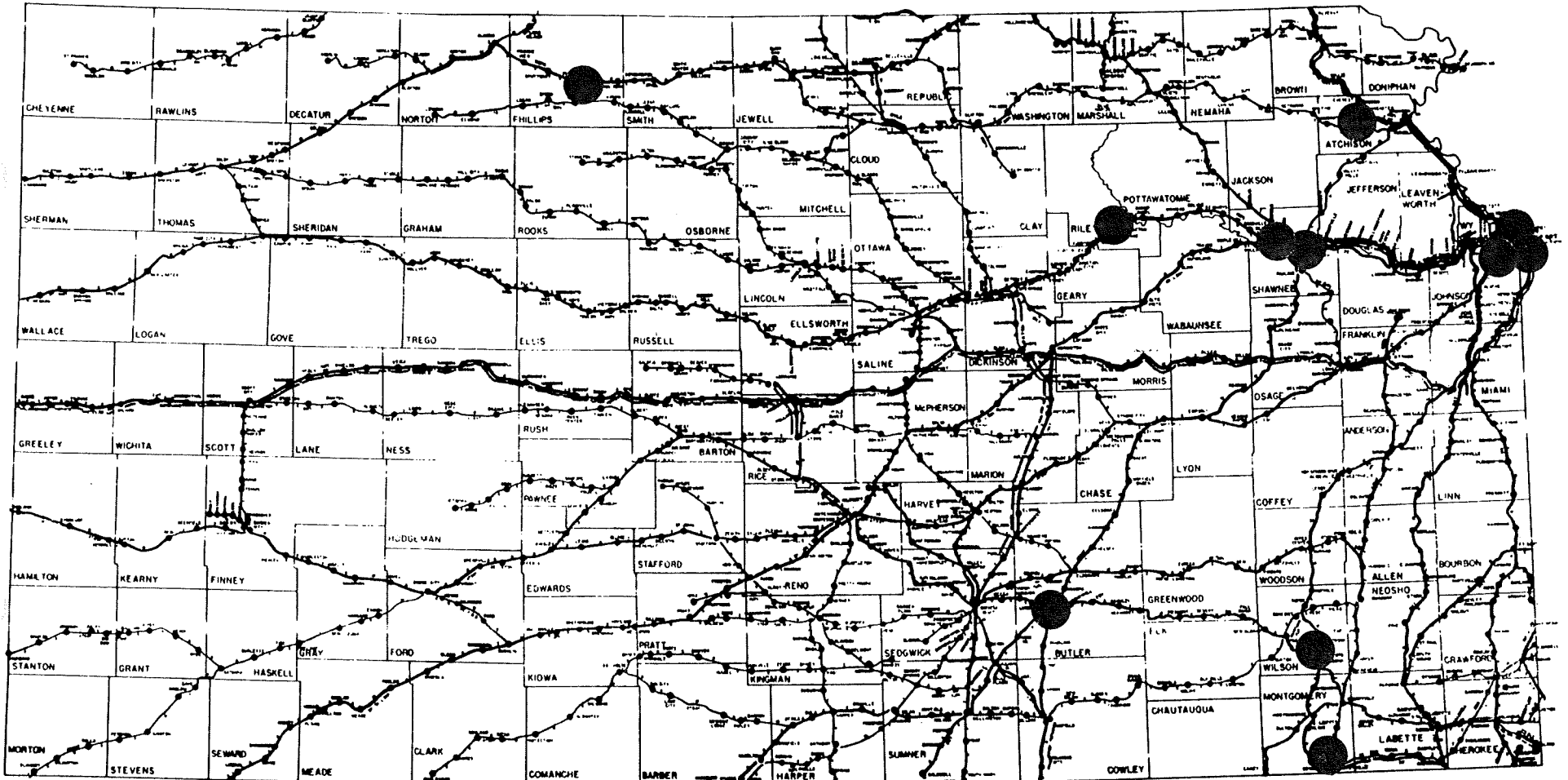
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VENDOR PURCHASES BY VENDOR, BY CITY, BY STATE
DURING 1989

JANUARY 13, 19
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VENDOR	CITY	STATE
WICHITA CASH RE	WICHITA	KS
WICHITA FENCE C	WICHITA	KS
WICHITA FORD TR	WICHITA	KS
WICHITA IRON &	WICHITA	KS
WICHITA STEEL F	WICHITA	KS
WICHITA WELDING	WICHITA	KS
WOOTEN PRINTING	WICHITA	KS
WILMORE OIL COM	WILMORE	KS
A & M TANK SERV	WINFIELD	KS
BAIR'S AUTO GLA	WINFIELD	KS
BIG D OIL COMPA	WINFIELD	KS
D AND D FARM EQ	WINFIELD	KS
DANIELS ROCK AN	WINFIELD	KS
DARYL RHODES WE	WINFIELD	KS
DAVID SMITH	WINFIELD	KS
DECOUDRES OIL C	WINFIELD	KS
EVERITT LUMBER	WINFIELD	KS
FELTS OIL CO IN	WINFIELD	KS
G.D. DONALS	WINFIELD	KS
HAWKS INTER-STA	WINFIELD	KS
HITTLE SERVICE	WINFIELD	KS
ISLAND PARK RAD	WINFIELD	KS
JARVIS AUTO SUP	WINFIELD	KS
K-PAGE POCKET P	WINFIELD	KS
LAWRENCE CRUSHE	WINFIELD	KS
LELAND TREDWAY	WINFIELD	KS
LYNN-BANDD CONO	WINFIELD	KS
NELSON MACHINE	WINFIELD	KS
PARTS UNLIMITED	WINFIELD	KS
POTTER MOWER AN	WINFIELD	KS
QUIK TRIP #333	WINFIELD	KS
SMITH OIL COMPA	WINFIELD	KS
STROTHER FIELD	WINFIELD	KS
TREDWAY FIRE EX	WINFIELD	KS
WESTERN SIZZLIN	WINFIELD	KS
WIEBE TIRE & SU	WINFIELD	KS
WILSON OIL COMP	WINFIELD	KS
WILSON QUICK MA	WINFIELD	KS
WINFIELD FARMER	WINFIELD	KS
WINFIELD INDUST	WINFIELD	KS
WINFIELD IRON &	WINFIELD	KS
RIGHT COOPERATI	WRIGHT	KS

Kansas Railroad Map



RAILROAD	MILEAGE	RAILROAD	MILEAGE	RAILROAD	MILEAGE
A.T.&S.F. ATCHISON TOPEKA & SANTA FE	2,429	K.C.S. KANSAS CITY SOUTHERN	24	M.P. MISSOURI PACIFIC	1,580
B.N. BURLINGTON NORTHERN	591	K.C.T. KANSAS CITY TERMINAL RAILWAY	11	N.&W. NORFOLK & WESTERN	*
D. & R.G.W. DENVER & RIO GRANDE WESTERN	*	K.&M.R.&T. KANSAS & MISSOURI RAILWAY & TERMINAL	2	O.K.T. OKLAHOMA - KANSAS - TEXAS	150
D.C.F.&B. DODGE CITY FORD & BUCKLIN	25	KYLE KYLE	16	SOO SOO - LINE	*
G.C.W. GARDEN CITY WESTERN	14	M.S.P.A. MID-STATES PORT AUTHORITY (KYLE, OPERATOR)	320	SEK SOUTHEAST KANSAS	71
H.&N. HUTCHINSON AND NORTHERN	5	M.R. MIDLAND RAILWAY	11	S.P. SOUTHERN PACIFIC	348
J.C.I.A. JOHNSON COUNTY INDUSTRIAL AIRPORT RAILWAY	4	M.K.T. MISSOURI - KANSAS - TEXAS	192	U.P. UNION PACIFIC	992
				W.U.T. WICHITA UNION TERMINAL	2

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Kansas Society of
Certified Public Accountants

FOUNDED OCTOBER 17, 1932

400 CROIX / P.O. BOX 5654 / TOPEKA, KANSAS 66605-0654 / 913-267-6460

Testimony on HB 3001

Presented to the
House Committee on Taxation

by

T. C. Anderson

Executive Director

Kansas Society of CPAs

March 13-14, 1990

3/14/90

Attachment 6

Thank you, Chairman Roe.

Members of the Committee, I'm T. C. Anderson, Executive Director of the Kansas Society of Certified Public Accountants.

I appreciate the opportunity to appear before you today to address that portion of HB 3001 which would impose a tax on the gross receipts received from the rendering or furnishing of services at retail in the state.

In particular I want to express concerns relative to the imposition of this tax on services offered by professionals.

When Steven Gold of NCSL addressed an interim Kansas Tax Committee in 1987 he reported 45 states have a sales tax and that about half imposed the levy on some services. In 1987 only five states -- Hawaii, Delaware, South Dakota, New Mexico and Florida taxed professional services.

My latest count indicates 46 states now have a sales tax and of those 43 now impose the levy on some services. In 1990 only four states - Hawaii, Delaware, South Dakota and New Mexico - tax professional services.

Hawaii, Delaware and New Mexico implemented their broad-based sales tax legislation in the 1930's. South Dakota implemented its in 1968. Of course, Florida both implemented and repealed its tax on services in 1987.

While state legislatures across the nation have studied and continue to study expanding their services tax, they continue to stop short of taxing professional services. And with good reason.

The major purchasers of professional services are other businesses. Generally, small and emerging businesses must purchase professional services that larger business provide internally. These include accounting, tax, data processing, legal, pension planning and consulting services.

Thus a tax on services is an added tax burden on the small business.

Then there seems to be a fundamental inconsistency in enacting a tax on those professional services which are provided to comply with other laws. An example is the taxation of professional fees for tax preparation services to meet the requirement for paying income taxes. Professional advice is also needed by publicly traded companies to comply with federal and state securities requirements. Kansas might run the risk of a decrease in compliance with other tax laws and thus a loss of tax revenue if it imposes a tax which increases the cost of tax advice and preparation.

A sales tax on all services disproportionately imposes a heavier burden on low-income individuals. Attached is a table which shows the increase of sales taxes as a percentage of income as a result of Florida's major sales tax legislation of 1987. Without going through the table let me point out those in Florida with incomes of under \$7,500 saw their tax bill increase 2.48 percent while those with incomes of \$75,500-plus saw the percentage increase only .57 percent.

FLORIDA

Taxes as a Percent of Income		
Original Income Group	Sales Tax	New Sales Tax Including Services
\$ 0 - 7,499	8.01%	10.49%
7,500 - 14,999	4.18	5.40
15,000 - 22,499	3.29	4.16
22,500 - 29,999	2.90	3.63
30,000 - 37,499	2.77	3.49
37,500 - 42,499	2.57	3.17
42,500 - 75,499	2.25	2.79
75,500 +	1.99	2.56

Source: William J. Shelley, 3/6/87, Table 2.

And finally, imposing a sales tax on services adversely affects the economy by increasing costs, which may cause consumers to utilize out-of-state practitioners who are not subject to the tax. This could cause the exportation of service revenues to out-of-state business, thus reducing the level of employment for professionals in Kansas.

A study prepared for a consortium of Texas professional organizations by RRC, Inc., an economics consulting firm, shows the adverse effect of a services tax on the Texas economy. The study showed the Texas economy suffers a loss of 42,700 jobs due to the slower growth of output in services.

Thank you Mr. Chairman. I'll be happy to stand for questions.

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COMMITTEE ON TAXATION
House Bills 2858 and 3001
Association of CMHCs of Kansas, Inc.
March 14, 1990

Contact: Paul M. Klotz, 913-234-4773

This Association, together with its 30 mental health centers are about to embark on "Mental Health Reform". As you heard on the House floor yesterday, this is going to be a major task and one that will require new funding from the state.

We cannot launch a successful reform of moving people to the community while losing funding by a loss of our sales tax exemption which we estimate at well over \$700,000. Also, this legislation would begin to tax professional services.

The dollars that have been voted by the House Appropriations Committee for Mental Health Reform are around \$1,000,000. This amount would be totally lost with the passage of these two bills.

Thank you!

3/14/90

Attachment 7



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Taxing Legal Services
And Resulting
Administrative Issues

Presented by the
Kansas Bar Association

March ¹⁴ 13, 1990

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3/14/90

Attach. 8

Executive Summary

1. A service tax is not new. Hawaii and New Mexico, Iowa and South Dakota have a limited service tax. In 1986, Florida enacted a 5% service tax which had a long-arm provision reaching taxpayers of other states if the service itself was provided in Florida.¹/ Washington, Indiana, Utah, and North Dakota recently had proposals before their legislatures. The Texas Legislature defeated a service tax in early August, 1988.

2. While service taxes represent a tax alternative, obviously it has not caught on as broad public policy in the states. We believe that is because of enormous administrative problems.

3. Lawyers do not pay service taxes. Their clients do. In Kansas, that is primarily the small business community.

4. Exemptions in our general retail sales tax laws tend to aggravate policy-makers. Unfortunately, with service taxes, to be equitable and avoid constitutional problems, there would be a greater need for exemptions in a service tax than in our sales tax law. And service taxes are more difficult to audit and administer for state government than a generally applicable retail sales tax.

5. Tax audits of lawyers and their clients would intrusively interfere with attorney-client relationships.

6. The state would have to decide whether to tax legal and accounting services provided "in-house." Exclusion of in-house services poses several difficult policy choices. On what rational basis can the tax be levied on the engagement of nonemployee service providers and not in-house employee services? Temporary clerical assistance, private law or accounting firms, or outside business consultants are all necessary components of a modern business world. Taxes discriminating and discouraging the use of independent services by putting them at a competitive disadvantage can hardly be justified, considering the important role smaller service providers play in the business world and their stabilizing influence on local economies.

¹Before this tax was tested, the Florida legislature met in special session and repealed it.

General Principles of Service Taxation

Government can tax essential goods and services, such as food, medicine, gasoline or electricity, if it chooses to do so.^{2/} However, states must adhere to the principles of due process and equal protection when exercising their taxing power. Iron-clad rules of equality are not imposed and states have flexible powers in exercising their tax schemes.^{3/} Such discretion is not unbridled. Classifications created by new taxes must be "reasonable, nonarbitrary and rest on some ground of difference having a fair and substantial relation to the object of the legislation."^{4/}

Thus the question is not "whether" states can impose service taxes, but whether such taxes should be imposed, and if imposed, in what manner?

Sound Tax Policy

An excise tax on the privilege of providing services may not be couched as an income tax, but to those whose income is entirely from services, it is an income tax where (1) the person paying the tax is the one providing the income rather than the person being paid, and (2) there are no deductions or tax credits.

Sound service tax policy will require some exemptions to avoid procedural and constitutional difficulties. A service tax, for example, cannot unfairly burden fundamental rights to counsel.^{5/} If legal services to indigent criminal defendants or

²Puget Sound Power and Light Company v. City of Seattle, 291 U.S. 619, 54 S.Ct. 542, 78 L.Ed. 1025 (1934) approving a license tax on the sale of electricity.

³Kahn v. Shevin, 416 U.S. 351, 94 S.Ct. 1734, 40 L.Ed.2d 189 (1974).

⁴State ex rel Vars v. Knott, 184 So. 752 (1938).

⁵Proponents of service taxes cite In Re Advisory Opinion to the Governor, 509 So.2d 292 (Fla. 1987) as authority that service taxes are constitutional and do not infringe on rights to counsel. However, Florida Supreme Court was sharply divided on the question and cautioned at the beginning of its opinion: "Advisory opinions are merely legal opinions of the individual justices, offered for the governor's guidance in the performance of constitutional duties. The opinions expressed in these advisory opinions do not constitute decisions of the Florida Supreme court and, therefore, are not binding in any future

(Footnote Continued)

civil cases for the poor handled pro bono by attorneys are still taxed, the law may be unconstitutional on the same rational as when Southern jim crow poll taxes were stricken as an improper tax on fundamental rights to vote.^{6/}

Given that some exemptions are necessary within professional classes, a service tax is a differential tax, not a general one. Thus it must be viewed in light of the burdens it places on the taxpayer.

"A power to tax differentially, as opposed to a power to tax generally, gives a government a powerful weapon against the taxpayer selected. When the state imposes a generally applicable tax, there is little cause for concern. We need not fear that a government will destroy a selected group of taxpayers by burdensome taxation if it must impose the same burden on the rest of its constituency . . .

"The main interest asserted by Minnesota in this case is the raising of revenue. Of course that interest is critical to any government. Standing alone, however, it cannot justify the special treatment of the press, for an alternative means of achieving the same interest without raising concerns under the First Amendment is clearly available; the state could raise the revenue by taxing business generally."^{7/}

If the state engages in wholesale exemptions of certain types of services which have no constitutional protection, absent a constitutional amendment allowing it, "political" exemptions raise concerns of inequal-

(Footnote Continued)

judicial proceedings. . . . Moreover an advisory opinion is rendered without the benefit of a record or a specific factual scenario. . . . (W)e find that it does not facially constitute an unconstitutional burden on the right to legal counsel." pp. 301-302. Translated, this means that a given factual situation might change their minds.

⁶Harper v. Virginia State Board of Elections, 383 U.S. 663, 86 S.Ct. 1079, 16 L.Ed.2d 169 (1966). In Harper, every voter regardless of financial ability had to pay a poll tax in order to vote, which denied indigents, many of whom were black, the right to vote. Under a service taxing system, indigent criminal defendants who exercise their constitutional rights to counsel and win still must pay a tax imposed by the very body -- the state -- who prosecuted them in the first place. State tax liabilities not being dischargeable in bankruptcy, the tax would considerably chill an indigent's exercise of fundamental rights to due process and equal protection of the law. This conclusion is hinted at in In re Advisory Opinion to the Governor, supra, pp. 302-303).

⁷Minneapolis Star and Tribune Co. v. Minnesota Commissioner of Revenue, 460 U.S. 575, 103 S.Ct. 1365, 75 L.Ed.2d 295 (1983).

ity of application of state tax policy.^{8/} Exempting certain types of services from the tax makes little sense unless there is a constitutional basis.^{9/} Florida argued that exemptions were necessary so that the tax did not collect more revenue than was needed to fund government. However, adjusting a sales and service tax rate is the more proper way of adjusting revenue requirements.

The activity's relationship to a fundamental right does not automatically exempt it from service taxation, but when fundamental rights are involved such taxation must be non-discriminatory, i.e. generally applicable to otherwise similar activities.^{10/}

Finally, a service tax is regressive. It is paid in equal portions by rich and poor alike. Not only can it be regressive, it can be unfair. Depending on probable exemptions, situations can be created where the poor, suing to vindicate their rights against a larger corporation, have to pay the tax while the corporation, if using in-house counsel, does not.

Burdening Federal Constitutional Protections

To the extent that federal law provides programs and stipends to Kansans, a state tax that attaches to legal or accounting services without which the citizen might not obtain such entitlements may be prohibited by the federal supremacy clause.^{11/} If women and

⁸ Florida exempted medical services from the tax, not because of a rational basis but for the political interests of physicians and hospitals, and the myriad retired persons using Medicare health services. It is inconsistent to tax legal services -- some of which are required under U.S. constitutional provisions and statutes -- but not medical services, the right to receive which is nowhere guaranteed in any state or federal law or constitution.

⁹ A plaintiff in a medical malpractice action who hires an attorney to prosecute the action pays a tax on the fees ultimately paid. If during that case, the plaintiff submits himself to a doctor hired to examine plaintiff, the plaintiff pays no tax on the medical service? Or, since the lawyer hired the doctor as part of a lawsuit, is the doctor's consulting fee taxable? If so, why is a doctor's fee generally taxed if part of a lawsuit, but not generally if sought as ordinary medical services?

¹⁰ Minneapolis Star, supra. See also Grosjean v. American Press Co., 297 U.S. 233 (1935), striking a Louisiana tax on large circulation newspapers on First Amendment grounds. Note, the court held that the reason for the law was that larger newspapers had been critical of Louisiana Governor Huey Long, while smaller ones had not.

¹¹ This issue is raised by taxing attorney fees in social security
(Footnote Continued)

minorities can show they are primary users of federal civil rights statutes to vindicate discrimination, is a tax on legal services for these federal cases a race or sex-based tax?^{12/}

Further, legal and accounting services are often interstate in nature. When a state taxes interstate commerce, due process requires (i) a minimal connection exists between the interstate activities and the taxing state, and (ii) the revenues attributed to the state relate rationally to the intrastate values of the enterprise to be taxed.^{13/} Recent cases have required "internal consistency" of such taxation.^{14/}

A difficult problem is created if Kansas enacts a service tax and Missouri does not.^{15/} In the Kansas City area, will businesses seeking to avoid taxes simply take their work to a Missouri law firm? While compensating use taxes could be made available to allow Kansas revenue department officials to collect the tax when services are rendered out of state,^{16/} more special questions involving compensating use taxes are created.^{17/} And the special

(Footnote Continued)

appeals where federal statutes allow only statutory attorney fees from the award itself. No federal statute allows payment of a state tax from social security awards. The taxpayer must come up with the tax from their own resources.

¹²Indeed, the more vigorously the aggrieved party presses for redress of grievances, the more their tax "penalty" increases.

¹³Moorman Mfg. v. Bair, 437 U.S. 267 (1978).

¹⁴Exxon Corp. v. Wisconsin Department of Revenue, 447 U.S. 207 (1980); Container Corp. of America v. Franchise Tax Board, 463 U.S. 159 (1983).

¹⁵1990 Kansas HB 3001 enacts a general service tax by taxing "gross receipts ... received from the rendering or furnishing of services at retail in this state." The tax is levied on gross receipts received for the privilege of engaging in such services in Kansas. If services are furnished or rendered in another state, no tax is collected.

¹⁶HB 3001 does not tie the compensating use tax to the service tax. K.S.A. 79-3703 applies the compensating use tax only to sales of tangible personal property.

¹⁷If a layperson uses small claims court to collect a bill, must there not be a service tax collected on the reasonable value of legal services in that matter? The purchase of those services from a lawyer would be taxed.

8-4

nature of the attorney-client privilege makes it difficult for attorneys to reveal the name of the client and divulge the nature of the advice rendered without compromising the attorney-client privilege.^{18/}

Tax Audits and the Attorney-Client Privileges

The service tax dilutes the attorney-client privilege.^{19/} The ethical problems generated are not imaginary.^{20/} Lawyers can help only when clients are free from the consequences of or the apprehension of disclosure. Once confidential information is disclosed to a Department of Revenue tax audit there can be no legal or practical assurance that information will be held confidential and not disclosed to other agencies or the private sector.^{21/}

Further, Congress and state legislatures have shown an increasing willingness to burden the attorney-client relationship by confiscating attorney fees paid in certain drug-related criminal cases.^{22/} Enactment of an audit capability with a service tax

¹⁸While the Florida service tax made the information privileged, whether such statutory confidentiality actually would survive audits of lawyers and law firms is questionable. An attorney called to testify concerning a client's records may be disqualified from representation of such client and the client is thus denied the right to choose counsel of choice. See in re Grand Jury Subpoena, 781 F.2d 238, 258 (2nd Cir., 1985, Cardamone, J., dissenting)

¹⁹The purpose of the privilege is to encourage full and frank communication between attorneys and clients, promoting broader public interest in the observation of law and administration of justice.

²⁰Wife seeks legal advice as to her property rights if she divorces her husband. Obviously, she may not want her husband to know she has sought such advice. The attorney and attorney's employees are ethically bound not to divulge such information. If she pays a fee and the Kansas attorney remits the tax but for whatever reason the Department of Revenue wants to audit the attorney's payment of service taxes, how can the audit be conducted and the Department contact the wife without perhaps alerting the husband to what has happened? Real problems may occur -- even if the focus of the audit is some other client of the firm, even if the audit is totally random in nature.

²¹The information in the audit may contain material prejudicial to the client with respect to other controversies between the client and the Department of Revenue. The service tax audit thus becomes an interesting bypass around Fourth Amendment search and seizure protections.

²²With the blessing of the U.S. Supreme Court. See Caplin & Drysdale, Chartered v. U.S., ___ U.S. ___, 57 USLW 4836 (1989).

gives the state's alter ego, the Department of Revenue, similar capability to infringe on a potential defendant's Fifth Amendment self-incrimination protections.^{23/} Indeed, with one arm of the state taxing the legal service provided, and the other arm possibly prosecuting the client, a criminal investigation can be enhanced by using the tax audit device.^{24/}

Partly for these reasons, Florida exempted (1) legal services to accused persons if the accused is found not guilty or if all charges are dismissed; or (2) legal services rendered natural persons relating to child support,^{25/} enforcement of civil rights, or bankruptcy proceedings.^{26/}

The Florida exemption took the form of the refund of a previously paid tax.^{27/} The Sixth Amendment's right to counsel is

²³For this reason at the very least there should be no service tax on legal advice or services in a criminal matter, nor should any auditor have access to any client information if the legal advice sought is concerning crimes or criminal activity. Otherwise, by auditing an attorney's services, the state can require the lawyer to provide financial and related information about their own clients, action which would disqualify an attorney from representing the client.

²⁴"How much information" is divulged at tax audits about the nature and extent of legal services is an open question. Presumably, auditors will want to know the name and address of clients, to verify the payment of fees. Where exemptions of services are provided by law and taken by the client, the Department is going to want to audit the services provided in order to insure that false accounting has not resulted. This requires a high degree of information transfer between the attorney and the Department. Once armed with that information, is the attorney and the client fully assured that the Department's auditors are not going to relay that type of information to prosecutors?

²⁵Given the intensive efforts lately to collect child support, adding a tax to the legal services necessary in this endeavor, on its face, is a bit inconsistent.

²⁶The civil rights and bankruptcy exemptions are due to federal supremacy law considerations. Presumably, other divorce-related services not amounting to child support would be taxed, as would the defense services in a civil rights action (since defendants are not "enforcing" civil rights claims). Legal services to bankruptcy creditors and persons found guilty of crime, since not individuals, also would be taxed.

²⁷Which means that indigents or mothers seeking child support assistance in order to make ends meet still must pay the tax up front, then wait for a refund.

Who will apply for the refund on behalf of the indigent? The pub-
(Footnote Continued)

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triggered when adversarial judicial proceedings are initiated.^{28/} Using the Florida criminal law exemption, arguendo legal advice rendered prior to criminal charges being brought may be taxed. The Florida Supreme Court did not expressly declare this scheme constitutionally defective, but did express reservations about taxing pre-adversarial advice but exempting post-adversarial proceedings from the tax.^{29/} Further, Florida's scheme to tax the guilty but not the innocent is discriminatory and may be subject to challenge.^{30/}

Discrimination also occurs between types of legal services rendered, and presents Fourteenth Amendment problems. Florida's tax exempted legal services that were needed to secure child support. Yet

(Footnote Continued)

lic defender is hired by the state to work on criminal not civil tax matters. No other sales tax exemption in Kansas works that way.

Further, to get their refund of the tax, Florida criminal defendants had to submit evidence of their acquittal or dismissal. This is no problem if a court record is made. But when charges are brought by the prosecutor and dismissed without filing formal charges, the application for a refund is difficult. A client may have to publicly disclose a criminal accusation in order to recoup his tax.

What would happen in diversion situations, where after a probationary period if defendants do as ordered, all charges are dropped? Does defendant pay the tax, wait for the period to expire, then seek a refund?

²⁸Kirby v. Illinois, 406 U.S. 682, 688 (1972); Gideon v. Wainwright, 372 U.S. 335 (1963); also In re Grand Jury Subpoena, 781 F.2d 238, at 258 (2nd Cir. 1985).

²⁹"(T)he legislature has created a system under which, in order to be eligible for a refund, the suspect must actually be charged with criminal activity and wholly exonerated on all charges. Some question the appropriateness of giving the state a direct financial interest in whether a suspect is charged and convicted. Although we do not believe that this aspect of the tax is facially unconstitutional, such equal protection questions are fact specific and the true test of this provision will come if individual defendants should challenge the limiting language . . . " In re Advisory Opinion to the Governor, supra, p. 304.

³⁰In James v. Strange, 407 U.S. 128 (1972), a Kansas recoupment statute allowed the state to civilly recover funds expended for the defense of indigents. It was held unconstitutional by the U.S. Supreme Court. The court expressly declined to rule on Sixth Amendment implications of such recoupment statutes, but held the statute violated equal protection because it denied indigent defendants the protections afforded other debtors to discharge such debts. See also Rinaldi v. Yaeger, 384 U.S. 305 (1966) on the state's discriminatory treatment of the costs required when seeking an appeal, and state costs related thereto.

Florida imposed the tax on legal services that generated alimony.^{31/} While the state has an interest in seeing child support is paid in divorce actions, Kansas statutorily allows spousal support in such actions,^{32/} and in other instances requires it.^{33/}

State Tax Policy Contrary to Federal Tax Policy

The tax on legal services is contrary to allowed policy in the Internal Revenue Code of 1954. Legal expenses which are incurred as part of an ordinary and necessary trade or business enterprise are given preferred treatment by being deductible from taxable income. Conversely, purely personal legal expenses are not given this preferred treatment unless incurred in connection with production of income or other related purposes.

For businesses, the nondeductible service tax is levied on an expenditure which is itself deductible, and for individuals the service tax becomes another nondeductible expense.^{34/} While no case law exists that we know of, an argument might be made that by taxing deductible business expenses, a state is raising revenue in a manner incompatible with the federal tax code, and may bring federal supremacy clause arguments to the fore.

Interstate Administrative And Enforcement Problems

A unique feature of the Florida law was its "long-arm" reach: if the majority of the cost of rendering legal or accounting services was rendered in Florida, the service was presumed to be sold within the state and was taxable.^{35/} If Kansas adopted a similar scheme, out of state attorneys currently providing legal services to Kansas clients or involved in Kansas litigation must collect a compen-

³¹This is odd policy, since child support received by custodial parents is not taxed as income but alimony is taxable income under the IRC.

³²K.S.A. 1989 Supp. 60-1610(b)(2).

³³K.S.A. 1989 Supp. 21-3605 makes failure to support a spouse a class E felony. Further, the division of assets law, K.S.A. 1989 Supp. 39-785 et seq, is legislative recognition of a limited requirement of spousal support before state benefits are allowed.

³⁴Congress' 1986 tax code changes made state sales taxes nondeductible. We presume a service tax, being like a sales or excise tax, also is nondeductible.

³⁵Florida Statutes Sec. 212.0591(9)(a)(2); 12-ER-87-2(2)(a)(3). This has since been repealed.

sating use tax and remit to Kansas. If a Missouri lawyer took a deposition in Missouri using Missouri expert witnesses or a shorthand reporter, since it applies to Kansas litigation, a tax must be collected and paid.

As onerous as this provision is, the failure to include a long-arm reach in a professional service tax will drive legal and accounting services out of the taxing state into neighboring non-service tax states.

Apportioning a tax on legal services is an especially egregious administrative problem when the lawyer is handling class-action litigation.^{36/}

Other Administrative Problems

Tax Collectors Personally Liable? Under most sales tax laws, including Kansas', those failing to remit the sales tax are liable for amounts due. Presumably that would be true for a service tax. Various persons in law firms provide "legal services." Associate attorneys provide some services, as do paralegals. If the law firm does not properly account for the tax, is the associate or paralegal held personally liable even though all responsibility for the control of administrative matters is typically assigned to another employee of the firm?

Tax Policy Encouraging Use of Legal Services. If maximizing tax revenue is important and legal service taxes are a prime source of revenue, does not sound tax policy make it in the state's interest to spur litigation?^{37/}

Rational tax policy also might require the state review and perhaps repeal laws disallowing use of an attorney for minor legal matters. Disallowing the use of an attorney denies the state tax revenue.^{38/} Further, must an attorney who represents his family

³⁶ Even class action litigation in other states often finds Kansans participating in the action via advertising to notify the "class" of the lawsuit. If Kansans join an out of state class action lawsuit, are the legal services rendered "in this state?" If defendants are ordered to pay the legal fees of the plaintiff class, must a tax be collected only from those Kansans in the plaintiff class, or all litigants?

³⁷ We have facetiously argued that limits on tort recoveries should be repealed. The same analogy applies to recent legislative thoughts of limiting contingent fee percentages. Such limits directly limit service tax revenue. Conversely, the higher the verdict, the more tax is generated.

³⁸ Simplified probate statutes and the growth in jurisdiction of Small Claims Court are but two examples. Businesses routinely use small claims court without attorneys to collect small debts.

in a probate action and who directly benefits from such representation pay the tax even though there is no billing for such services?^{39/}

To the extent the tax discourages businesses from using legal services, it is contrary to the state's interests. State and federal laws are complex. States should promote and encourage businesses to operate legally and should not implement disincentives for businesses to seek legal counsel and assure business conduct comports with legal requirements. By enacting the tax, resulting limits on the attorney-client privilege discourage such compliance.

Consumables. The Kansas legal system is a major employer in Kansas -- 7,000 attorneys and judges, plus equal numbers of clerks, stenographers, secretaries, investigators, court personnel, etc. They are heavy users of supplies from computer and office supply and computer stores, restaurants, gas stations, airports, hotel-motel, etc. To the extent these other businesses can charge a sales tax on those items, state and local government benefits. If the lawyer is using paper or computers as part of a legal matter for which fees are charged, can the lawyer claim that item is "consumed" in the practice of law and therefore exempt the firm from paying a sales tax on the item?

Our sales tax already taxes some services, but it is limited to those sales of services provided on a "retail" or end-consumer basis.^{40/} The phrase "rendering or furnishing services" in the proposed bill leaves little room to differentiate between retail and other services.^{41/} The law is likely to pyramid the service tax with the sales tax.

Advancing of Costs. There are restrictions on attorneys advancing certain costs of litigation to clients. In civil matters with a contingent fee, attorneys may purchase expert witness and CSR services and pay the tax for the client, but then must recoup such from their client's recovery.^{42/}

³⁹This is not uncommon in probate settlements where a family member is a lawyer. That person often is appointed executor of a will or estate.

⁴⁰An example is a retailer who uses accounting services from a CPA. The cost of the CPA is part of the retailer's markup, upon which a sales tax is levied.

⁴¹HB 3001

⁴²Attorneys generally cannot advance costs of litigation to clients, or otherwise encourage people to sue. As part of a valid contingent fee contract, they can agree to front the expense of litigation --
(Footnote Continued)

8-7

Apportionment. What does an attorney do when he provides both exempt and nonexempt services to a client during the course of handling a legal matter. Does the attorney apportion a tax between exempt and nonexempt services?^{43/}

Tax Nexus. At what point is there a sufficient nexus with Kansas that services are provided "within this state?"^{44/} If a Kansas defendant is sued in state court, and because of diversity of citizenship, removes the case to federal district court in Kansas, are all the legal fees of both plaintiff and defendant taxable? If the same lawsuit were removed to a federal district court in another state, is there still a tax nexus?

If a law client claims that no tax is due because no tax nexus exists within Kansas, must the client present to the Kansas law firm an exempt service permit? Can the Kansas Department of Revenue condition the granting such exemptions for out of state businesses on such clients submitting to Kansas jurisdiction for all other matters, including tax audits?

Pyramiding. While the tax is on legal services, there are two types of services provided by lawyers to clients: (1) services which relate to the legal services provided, i.e. title reports, abstract exams, property appraisals, certified shorthand reporters, and (2) services supplementing the way in which legal services are provided, e.g. travel and hotel services. All such services are billed back to clients as part of litigation "expenses." A lawyer does not "consume" these services in the same way in providing legal services. If the lawyer requests shorthand reporter services, does the lawyer pay the tax at the time those services are rendered? Or does the lawyer present an exemption certificate as a consumable item, then bill out the CSR services when the client pays the lawyer's expenses -- thus paying the tax only once? Otherwise, the client would pay the tax twice -- once when the lawyer pays the tax on the CSR services, then again when the lawyer collects the tax from client.^{45/}

(Footnote Continued)

if the expenses are paid separately and up front from any recovery. See Kansas Supreme Court rule 226, part 1.5, which prohibits gross fee contracts.

⁴³ If the law exempts services provided to secure child support, and the lawyer provides legal services for the entire divorce, does he determine what portion of total fees were related to child support and deduct that portion from the taxable amount?

⁴⁴ HB 3001, Sec. 1.

⁴⁵ Assume a certified shorthand reporter bills the attorney \$100, and adds on \$5.00 for the service tax. The CSR remits the tax. When the attorney bills the client for the CSR services, does the attorney bill client \$105.00 plus the tax, e.g. \$110.25?

Pyramiding is avoided if (1) clients directly contract with subcontracting service providers, e.g. a court reporter or (2) if paid by client funds previously deposited in a trust or escrow account. However, not all clients can afford such deposits and in the real world direct subcontracting is not practical, especially for indigent clients.^{46/}

Estate/Inheritance Tax Pyramid. Estates pay lawyers and accountants to perform many services. The state also taxes the gross estate, depending on the degree of relationship the heir is to the deceased. Not only does the estate pay the inheritance tax, the estate will pay an additional tax on the services it pays the lawyers and accountants. This is simply an indirect inheritance tax increase that burdens our proverbial "widows and orphans."

Legal Services for Religious Organizations. Just as the federal government is constitutionally immune from state taxes, so too should be professional services to religious organizations.^{47/} Until late 1989, the U.S. Supreme Court has required states to be "benevolently neutral" when taxing religious organizations.^{48/} This doctrine has recently been modified to allow states to impose general sales taxes on mail order items sold by television evangelicals.^{49/}

Likewise, nonprofit entities and governments pay no taxes on any goods or services they obtain. Presumably they would pay no service tax on the purchase of legal or accounting services.

⁴⁶ Shorthand reporters and other service providers will want their contract to be with the attorney, not the indigent client.

⁴⁷ Florida Code 212.08(6).

⁴⁸ Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-Day Saints v. Amos, ___ U.S. ___, 107 S.Ct. 2862, 97 L.Ed.2d 273 (1987).

⁴⁹ "To the extent that imposition of a generally applicable tax merely decreases the amount of money appellant has to spend on its religious activities, any such burden is not constitutionally significant because it is no different from that imposed by other generally applicable laws and regulations to which religious organizations must adhere. While a more onerous tax rate than California's, even if generally applicable, might effectively choke off an adherent's religious practices, that situation is not before this court." Swaggart Ministries v. California Board of Equalization, ___ U.S. ___, #88-1374 (January 17, 1990), Syl. 1.

8-8

Fee Shifting Many statutes allow attorney fees to be paid by the losing party, or "fee shifting."^{50/} If the opposing side pays an attorneys fee as a penalty, does the party to whom the fees are paid recoup a tax? If not, there can be instances where the party to whom the fees are paid cannot pay the tax even when the other party pays the legal fees.^{51/}

Cost Shifting. Is a tax on your legal fees a "cost" which can be shifted to the losing party in litigation? Absent legislation, probably not even though state law allows filing fees and other statutory "costs" to be shifted to the losing party.^{52/}

Retainers. Is a retainer fee to be taxed as income, or a service fee, or both? Often lawyers or their firms are retained by payment of a retainer even if no work is performed for that amount. The purpose is to keep the lawyer from taking on clients adverse to the retaining client's interests. Retainers, of course, are declared as income by the attorney. But when a retainer is paid but no services are rendered, does a service tax attach?^{53/}

State Tax Liens Affecting Bankruptcy. A professional service tax, like any state tax, becomes a lien against a person or a business which cannot be discharged in bankruptcy unless the state consents. A professional service tax then represents a considerable burden on a

⁵⁰ At least ninety federal statutes other than federal civil rights statutes allow courts to award prevailing parties reasonable attorney fees as part of costs. In Kansas, the number is well over one hundred. See Leslie, Recovery of Attorney Fees -- A Historical Perspective, Journal of the Kansas Bar Association, Fall, 1984. See further Proposal 16, Attorneys Fees, Interim Reports of the 1981 Legislature.

⁵¹ Federal civil rights cases might produce a situation where the plaintiff's goal of litigation is getting their job back, and where back pay is minuscule. However, in such cases, legal fees can run into the tens of thousands of dollars. If the defendant is ordered to re-hire the claimant and pay the claimant's legal fees, there is no other "recovery" from which claimant can pay the tax on those legal fees if the defendant is not assessed the tax.

⁵² K.S.A. 60-2007.

⁵³ The general rule is the true economic impact of a tax is what ultimately determines its nature as an excise tax or an income tax. Owens v. Fosdick, 153 Fla. 17, 13 So.2d 700 (1973). HB 3001 taxes "gross receipts ... received from the rendering or furnishing of services at retail in this state." Lawyers taking a retainer do not render or furnish anything; they are paid to refrain from taking on competing legal work.

bankrupt getting his "fresh start," especially for individuals.^{54/}

Disproportionate Administrative Burden. Service providers will have new records-keeping responsibilities. They must maintain detailed accounting and transaction records for each consumer, make fee allocations between exempt and nonexempt services, allocate fees for services inside and outside Kansas, implement procedures to collect, hold and pay over the tax. Smaller organizations will have a more difficult time than larger ones with this administrative burden.

Disparate Treatment of Individuals And Corporations. Certain types of businesses are service intensive. They would bear a much greater portion of the excise tax burden than others. For example, regarding legal services, companies in dire financial condition requiring possible bankruptcy services, banking matters, or other credit institutions which require debt collection services and insurance companies which hire outside legal counsel to defend litigation all are particularly legal service oriented and would be primary taxpayers. The tax is not broadly based; it is more the measure of an "adversity index."^{55/}

Second, to the extent taxing legal services drives up bill collection costs, small businesses will forego such services -- which not only affects the legal community but also the bottom line profitability of small businesses -- and corporate income tax revenues.

Litigants who are natural persons and who pay attorney fees will pay the tax. Corporate litigants which use in-house attorneys or other service providers avoid the tax. While not unconstitutional solely because of that, it raises interesting policy choices.^{56/}

⁵⁴Is a Chapter 11 reorganization plan further by a tax that is levied after the bankruptcy is all but complete? Does the state's interest in a tax on the service survive inchoate during Chapter 7 discharge, or Chapter 11 plan approval?

⁵⁵Unlike sales of tangible goods, legal expenses are incurred not regularly but typically arise out of extraordinary or unusual circumstances.

⁵⁶To make a service tax fall equitably on large and small business alike might require users of legal and accounting services pay their tax as part of their state income tax form, similar to the intangible tax form. Providing billed and paid professional services during a calendar year would be fairly easy for all taxpayers, and deductibles can be created based on gross incomes or gross retail figures of the business. Taxpayers remit the tax in addition to their state income tax form. The difficulty would be reaching nonresident taxpayers.

Small businesses, many of which possess fewer resources than their larger brethren, will pay the tax as an additional cost of business.^{57/}

On what rational basis can the tax be levied on the engagement of nonemployee service providers and not in-house employee services? Temporary clerical assistance, private law or accounting firms, or outside business consultants are all necessary components of a modern business world. Taxes discriminating and discouraging the use of independent services by putting them at a competitive disadvantage can hardly be justified, considering the important role smaller service providers play in the business world and their stabilizing influence on local economies.

If employee services are taxable, does the "consideration" on which they are taxable include fringe benefits, use of company automobiles, health and accident insurance, workers compensation benefits, and retirement plan contributions?

Cash or Accrual Basis. Some suggest the attorneys pay over a tax when services are rendered or billed, not when the fees are actually collected. This would run counter to IRS thinking, which recently convinced Congress to require all professional corporations to operate on a calendar year-cash basis system.

Previously Existing Legal Contracts. The federal constitution prevents impairment of contracts in existence prior to the effective date of the act. The Florida Supreme Court ruled their proposed service tax did abrogate existing contracts, especially in the construction industry.^{58/} Kansas law is in accord.^{59/}

⁵⁷Universally, the states which tax services exclude employee services. Hawaii's tax does not reach "amounts received as salaries or wages for services rendered by an employee to an employer." Hawaii Rev. Stat. Sec. 237-7 and 237-24 (1984). New Mexico's statute expressly exempts wages. N.M. Stat. Ann. Sec. 7-9-17 (1986-87). Iowa's tax excludes from the definition of services those services performed for an employer, (Iowa Code Sec. 422.42) and South Dakota's statute states that "services rendered by an employee for his employer are not taxable." S.D. Codified Law Ann. Sec. 10-45-4.1 (1986).

⁵⁸In Re Advisory Opinion to the Governor, 509 So.2d 292, 313 (Fla. 1987).

⁵⁹"Certainly, the legislature had no constitutional power to abrogate a binding six year old contract by simply passing a statute." Douglass v. Loftus, Adm'x, 85 Kan. 720, 119 Pac. 74, quoted in Schiffelbein v. Sisters of Charity of Leavenworth, 190 Kan. at 278. (1962).

Litigants hiring lawyers prior to the service tax, especially on fixed or contingent fee basis, have a right to expect that all they were required to pay was what they contracted to pay and that any "tax" subsequently imposed on the service should be born by the lawyer. That impairs the lawyer's expectation rights under the contract, and diminishes the value of the contract. That violates the contract clause as construed in other states.^{60/}

Conclusion

For all these reasons, we urge the legislature not include professional services in the Kansas tax code.

⁶⁰ Dewberry v. Auto-Owners Insurance Co., 363 So.2d 1077 (Fla. 1978).

House Committee on Assessment and Taxation
H. B. 3001
March 14, 1990

Outline of Testimony of Daniel J. Sevart
SEVART & SEVART
Suite 810 Century Plaza
111 West Douglas
Wichita, Kansas 67202
(316) 269-4215

- I. The Bill proposes to assess sales tax on "the gross receipts received from the rendering or furnishing of services at retail in this state."
- II. The approximately 1100 member Wichita Bar Association has asked me to testify in opposition, and point out to this Committee certain difficulties which in our opinion would be virtually insurmountable.
- III. Perceived difficulties.
 - A. No definition of "services at retail."
 - i. Double taxation problems - my service-providing client is taxed upon my fees for legal advice, which he then passes on to his clients, who are also taxed.
 - ii. "In-house" counsel - surely an amount for the expense of in-house counsel is passed on to the customers of such businesses - will a sales tax be assessed for the reasonable value of in-house counsel?
 - a. If not, will not those "clients" who utilize in-house counsel be treated differently from those who retain outside counsel?
 - B. Interstate representation - many attorneys provide services to clients which involve work performed out of state.
 - i. Depositions, tax audits, OSHA proceedings, general legal advice, for example.
 - ii. Cases pending in other states - part of work performed in Kansas, part performed in another state or states.
 - iii. Out of state clients, telephone advice, personal conferences out of state.

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- C. Confidentiality problems on audit.
 - i. The mere fact that we have consulted with someone may be confidential.
 - ii. Doctors and other health care providers would share this problem.
- D. Collection problems.
 - i. We frequently have clients who can only pay \$20 or \$25 per month. How do we assess the tax?
 - ii. What if client pays only a part of our bill, or refuses to pay the tax?
 - a. We are prohibited from paying by K.S.A. 79-3605.
- E. Contingency fee contracts.
 - i. A lawyer under a contingency fee contract may provide 500 hours in prosecuting an unsuccessful case, while a defense lawyer spends perhaps the same in defense, at perhaps \$100 an hour. The plaintiff would pay no tax, while the defendant would pay tax on \$50,000, while they both received equal services.
 - ii. Services performed in more than one state, as discussed above. We might have, and frequently do, a case pending in Kansas which requires depositions, or even ancillary court proceedings, in another, or several other, states.
- F. Particular cases.
 - i. Criminal appointments - fees paid by city, county, state or federal government.
 - ii. Civil rights claims - can have claims involving only injunctive relief, with no monetary recovery, but the defendant required to pay the plaintiff's attorney fees. Frequently, such cases are against some branch of government. Who pays the sales tax? The plaintiff, who received no monetary recovery, but merely an injunction against discrimination, might have to pay sales tax on a \$100,000 or more fee.
 - iii. Other statutes requiring a losing party to pay the other party's fees.
- G. Advanced expenses - subject to tax?

IV. The consumer is the real victim.

A. Kansas law requires that we all pass on sales tax to the consumer. (K.S.A. 79-3605.)

B. The net effect is to increase the cost of all services subject to tax, by 4.25% under present law, or more as the tax increases.

i. The one who can least afford it is the needy person who can barely afford an attorney or other professional in the first place.

C. Obviously, our clients will have to know why their legal expenses have increased.

D. Probability that we will have to increase our fees across the board in our firm to make up for the productive time we lose from administrative activities.

i. "Domino" effect, since our business clients will have the same problem, plus our increased fees.

V. The concept is unworkable, and will surely be as unpopular with the consuming public as the current property tax situation.

A. This bill doesn't hurt the lawyer, doctor, or other professional, other than perhaps to increase his headaches, and does not tax those with especially high incomes. It taxes the consumer.

B. This bill, or any other like it, should not be allowed to become law.



AMERICAN ADVERTISING
FEDERATION

STATE ADVERTISING FEDERATION
1525 S. TOPEKA, SUITE D
TOPEKA, KANSAS 66612

HOUSE TAXATION COMMITTEE
TESTIMONY RE: HB 3001 AND HB 2858

PRESENTED BY LYNN SCANNELL ON BEHALF OF
AMERICAN ADVERTISING FEDERATION
AND
AMERICAN ASSOCIATION OF ADVERTISING AGENCIES
MARCH 14, 1990

Mr. Chairman, members of the committee:

My name is Lynn Scannell, and I am the Kansas Legislative Chairman for the American Advertising Federation, AAF.

I appear today on behalf of the AAF to share our thoughts on both HB 3001 and HB 2858.

We oppose HB 3001 to the extent that it makes all services, time and space, provided by advertising agencies and broadcasters subject to sales tax. Advertising acquaints consumers with products and services, builds traffic and boosts sales and demand. Taxing advertising raises its cost, discourages and inhibits its purchase and leads overall to less advertising. Not only is the economy negatively impacted, the tax base itself is diminished. As independent studies have shown, jobs and salaries suffer.

A tax on advertising is an added value tax and results in a multiple tax which many businesses will pass on in higher costs to the consumer. Smaller businesses will also reduce their advertising budgets, while larger businesses will simply move their advertising contracts to states without the tax or will develop in house programs not subject to the tax. Markets in border areas will suffer especially. The result will be lost income taxes, lost property taxes, and lost economic development for Kansas.

Whenever a major advertising tax has been tried, it has failed and been repealed. Florida's public debacle with the tax is clear evidence of its failure. Arizona, Iowa, and even cities that tried it (e.g. Baltimore) have repealed an advertising tax.

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A state's tax on advertising can also run afoul of First Amendment principles in at least two ways, depending on how it is drafted and implemented. First, it may be unconstitutional because it is a tax imposed on the media that is not generally applied to the rest of society. Second, it may infringe upon free expression because it discriminates against one kind of speech over other kinds of speech. For these and other reasons, we strongly oppose HB 3001.

With regard to HB 2858, we understand that the intent of the chief sponsor, Rep. Joan Wagnon, was not to tax advertising services. The exemption pertaining to our services was inserted as a point of clarification. Although we have never been subject to the retailers sales tax act, this Department of Revenue has tried to reinterpret the act to include services provided by advertising agencies and broadcasters. We believe that the intent of the Legislature is that such professional services are not covered by the retail sales tax act under the current language in K.S.A. 79-3603.

We are content to have that language stricken, however, because we believe that it is not necessary. However, if the Department takes the position that the retail sales tax act does allow the taxation of advertising agency and broadcast services, we would strongly object to the repeal of that provision. We also understand that this is consistent with the intent of the chief sponsor.

Therefore, we ask that the committee make a clear legislative record of their intent by striking subsection (pp) on page 14, lines 33-35 of HB 2858. If the intent is to eliminate excessive verbiage, because the Legislature does not intend for advertising services to be taxable, then we would ask that the committee minutes reflect that in no uncertain terms. If there is any doubt at all, we would ask that the exemption be left in, so that this Department of Revenue or any future Department of Revenue will not interpret the action by this committee, if HB 2858 should pass, as legislative intent that advertising agencies should be taxable by virtue of the deletion of the exemption.

Thank you very much for permitting me to testify today.



THE KANSAS SOCIETY OF ARCHITECTS, AIA

A Chapter of the American Institute of Architects
The Jayhawk Tower 700 Jackson, Suite 209 Topeka, KS 66603 913•357•5308

March 13, 1990

TO: House Taxation Committee
FROM: Trudy Aron, Executive Director
RE: **OPPOSITION TO HOUSE BILL 3001**

The Kansas Society of Architects is opposed to House Bill 3001. Kansans are already reeling from the shifts in taxes caused by classification and reappraisal. The elimination of property taxes and replacing them with taxes on all goods and services will, again, shift these burdens.

While taxing all services may seem like an equitable idea, it will have dire consequences for those in the design industry - architects, engineers, landscape architects, interior designers, and others. These design firms are small businesses, our biggest architectural firm has just 50 employees. These firms experienced the same increases in their property taxes as other small businesses, however, unlike some, architects and other design professionals, having no inventories, received no tax savings from this repeal.

Passage of this bill will **increase the tax burdens of small businesses** more than large businesses because these companies cannot provide the same services a large firm provides internally (like legal, accounting, advertising, etc.). Thus, professional service taxes hinder small business growth and expansion which is contrary to the State's programs designed to stimulate economic growth and development.

Many architectural firms design projects in more than one state. Taxing design fees will put **Kansas firms at a competitive disadvantage with firms outside Kansas**. The tax will favor out-of-state firms which will not be subject to the tax. Since architectural services are high-cost items involving long-term capital expenditures, more clients will turn to out-of-state firms in order to avoid paying the tax. This will be particularly detrimental to small firms, which tend to rely primarily on in-state business and must already compete for in-state projects with larger out-of-state firms.

If the tax is applied so that it pyramids on the services performed by consultants (most architectural firms hire all consultants - structural, electrical and

PRESIDENT
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EXECUTIVE DIRECTOR
Trudy Aron

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mechanical engineers, landscape architects, etc.) it will **further limit the ability of Kansas design firms to compete** outside this state, and will place small, single-discipline firms at a substantial disadvantage in competing with "full-service" design firms with their own in-house consultants. In fact, permitting the tax to pyramid on the work subcontracted to a subconsultant by a prime consultant, could spell the death of small, single-discipline design firms.

The tax will **encourage large corporations and other frequent users of architectural services to locate out of state**, reducing architects' business even further (in addition to revenues lost because these businesses relocate out of state). Those firms who remain in Kansas will add design professionals to their staffs and perform their own architectural and engineering services in house to avoid paying the tax to outside designer firms. This will reduce the number of design firms and accordingly, eliminate the income and sales taxes (on goods) these firms currently pay.

Professional service business should be encouraged. Kansas should be encouraging professional service business to settle in Kansas. By their nature, service business costs few tax dollars; they are clean and nonpolluting and do not require a wide array of governmental services. In addition, their employees constitute an important part of the local and state tax bases. Thus, the state should be encouraging professionals to locate and expand in Kansas.

We realize the State is facing a budget shortfall and are ready to pay our fair share of taxes. However, HB 3001 is not the solution.

Thank you for this opportunity to appear before you today. If you have questions, I'll be glad to answer them.

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KANSAS MANUFACTURED HOUSING ASSOCIATION

TESTIMONY BEFORE THE
HOUSE TAXATION
COMMITTEE

TO: Representative Keith Roe, Chairman and
Members of the Committee

FROM: Terry Humphrey, Executive Director

DATE: March 14, 1990

RE: House Bill 3001

Mr. Chairman and members of the Committee, I am Terry Humphrey, Executive Director of the Kansas Manufactured Housing Association and I appreciate the opportunity to comment on House Bill 3001.

KMHA opposes the provisions of House Bill 3001, that repeal the sales tax exemptions that applies to manufactured housing. In 1985 the Kansas Legislature passed Senate Bill 152 which granted a sales tax exemption for people who purchased a pre-owned manufactured home. The rationale for exempting pre-owned homes was based on the fact that when an individual buys a pre-owned site built home sales tax is not paid. For many years manufactured home buyers were treated unfairly when compared to other home buyers and Senate Bill 152 corrected that problem.

Also, in 1987 Senate Bill 309 was passed by the Kansas Legislature granting a partial sales tax exemption for new manufactured homes. Specifically, 40% of the retail cost of a new manufactured home was exempted from sales tax. This partial exemption was passed because site built housing only paid sales tax on the materials used to construct the home and not on labor. Therefore, the 40% exemption for manufactured housing represents the labor in the home.

While the major thrust behind the passage of SB 152 and SB 309 was based on a equity between all housing products the Legislature also recognized that manufactured housing serves the low to moderate income.

In 1988 the average multi section home sold for \$33,600.00. In Shawnee County where sales tax is 5.25% the

tax bill under HB 3001 would be \$1,764. In addition, the home owner would need to come up with \$3,360 for the down payment, and closing costs. For many low income families it is hard enough to come up with the down payment, not to mention a large tax bill.

Recently, at all levels of government the focus has been on the need for affordable housing. Currently the United State Congress is considering a National Affordable Housing Act that is expected to provide some funding for affordable housing. However, state and local governments will be asked to submit an affordable housing plan that reviews tax and land use policies that affect affordable housing.

In conclusion, before you reinstate a sales tax on manufactured housing it is very important that you consider what affect this would have on low and moderate income people who already have difficulty obtaining home ownership. In addition, it is truly unfair that these home buyers would be charged sales tax on their home while the purchaser of a pre-owned site built home would not. I thank you for your attention to this matter.



Mike Reecht
State Director
Government Affairs
Kansas

13
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400 SW 8th Street, Suite 301
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Phone (913) 232-2128

TESTIMONY ON BEHALF OF AT&T
HOUSE BILL 2858/3001

MIKE REECHT

AT&T opposes the elimination of the sales tax exemption on interstate calling proposed in House Bills 2858 and 3001.

Businesses look to the cost of doing business in any state before locating in that state. AT&T feels that increasing the cost of telecommunications by the imposition of an additional tax, drives that cost up and therefore creates an economic disincentive to locating in Kansas versus bordering states, like Missouri.

In fact, of the states bordering Kansas, only Oklahoma has instituted a state sales tax on interstate long distance, but Oklahoma limited the tax to basic Long Distance thus preserving the exemption for high volume business customers. In fact, nationwide, only 14 states have instituted such a tax, of those only 10 extend the tax to large business customers.

Interstate long distance is already taxed at a rate of 3% by the Federal Government. This means the imposition of a 4.25% intrastate rate would drive the tax rate to 7.25% for those businesses or residential consumers who find the use of long distance a necessity.

Revenue estimates of such a tax are approximately \$6-8 million of which about 65% would fall directly on residential and small business consumers, the remainder falls on large business customers.

I have heard the argument "Why should AT&T care? They will just pass it through to their customers with no impact." I disagree with the characterization. AT&T has a commitment in a competitive environment to hold costs down. It is true we would pass it through, but my concern is that we would pass it through to fewer customers and pass it through on fewer calls due to the fact that demand is a function of price. If price goes up, quantity will decrease. AT&T and its customers will be impacted by such a tax.

I therefore urge your careful consideration before recommending a tax that creates an economic disincentive for business development and an additional economic hardship on those residential customers who need to make long distance interstate calls.

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HB 2858
PROPOSED STATE SALES TAX
ON INTERSTATE LONG DISTANCE
FACT SHEET

- A proposed sales tax on the interstate long distance residential and business ratepayer is an economic development disincentive for the state, in that it drives the price for conducting telecommunications business in the state higher relative to other bordering states.
- Interstate long distance is currently subject to a Federal Excise Tax of 3%. Imposition of a state sales tax would subject interstate long distance to a 7.25% tax rate for Kansans.
- Imposition of a state sales tax on interstate calls would generate approximately \$6-8 million in additional taxes, 65% of which would be borne by residential customers. To many of these customers, long distance is not a luxury, but a necessity.
- Sales tax on interstate calls have not been established in the surrounding states of Missouri, Colorado, and Nebraska. Oklahoma implemented a state tax on interstate calling for Message Toll Service only, which does not impact large business customers.
- Only 14 states impose a state tax on interstate services, and only six of those impose the tax across all services.
- The Missouri legislature defeated a similar measure last year, as well as in the current session.
- Several industries have located in the Wichita and Lawrence areas and their sole business purpose is interstate telemarketing (sales) operations. Certainly the cost of doing business including telecommunications costs, were major factors in their location decision.
- The entire telephone industry would suffer economic consequences of increased prices and resulting lower call volumes. Long distance carriers would lose toll revenues; Local exchange companies would lose access charges.
- The collection of the tax is not completely effective. Users of private networks may avoid the tax. The tax could encourage firms to bypass the conventional telephone network which would hurt remaining users because they are left to bear the total cost of the toll network.

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HOUSE BILL No. 3001 AND HOUSE BILL No. 2858
TESTIMONY OF GLENN D. COGSWELL ON BEHALF OF
AMERICAN CANCER SOCIETY, KANSAS DIVISION, INC.
BEFORE THE HOUSE TAXATION COMMITTEE
MARCH 14, 1990

Mr. Chairman and members of the Committee:

My name is Glenn Cogswell and I appear on behalf of the American Cancer Society, Kansas Division, Inc. We thank you for the opportunity to appear before you and to express our concerns with House Bill No. 3001 and House Bill 2858.

American Cancer Society, Kansas Division, Inc. is a Kansas nonprofit charitable and educational organization, dedicated to dissemination of knowledge concerning the dangers, treatment and cure of cancer.

Under the present law, K.S.A. 79-3606 (nn) provides an exemption of ". . . all sales of educational materials purchased for distribution to the public at no charge by a nonprofit corporation organized for the purpose of encouraging, fostering and conducting programs for the improvement of public health;". This provision is found in HB 3001 on page 14 beginning at line 39 and in HB 2858 beginning on page 14 at line 24. This

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provision was intended to and does in fact have very limited application. It applies to educational materials concerning the dangers, treatment and cure of cancer purchased by the American Cancer Society, Kansas Division, Inc., a nonprofit corporation, primarily from American Cancer Society, also a nonprofit corporation, and distributed to the public at no charge by American Cancer Society, Kansas Division, Inc.

The purpose of the exemption is to promote public health; specifically the dissemination of knowledge concerning the dangers, treatment and care of cancer. The fiscal impact of this exemption is minuscule in relation to the tax problems facing this legislature.

Each of the several exemptions set out in K.S.A. 79-3603 and 79-3606 has been carefully considered by the legislature from time to time and has been enacted for a reason which the legislature has considered to be sufficiently compelling to justify it. We believe it is not good legislative policy and not in the best interests of the state to summarily, with a wide brush sweep away virtually all the present exemptions. Repeal of the exemption referred to above, while reducing in some degree the State's promotion of improvement of the public health, would probably have little impact on the economic well-being of the State and its citizens. Some of the other exemptions which would be repealed by the "wide brush" approach of both of these bills could have enormous effect upon the State and its economy.

We are not unaware of the seriousness of the property tax problems facing the legislature this year and we commend the committee for its good faith efforts in searching for a viable solution or alleviation of these problems.

We urge the committee and the legislature to proceed cautiously in your search for solutions and not compound the problems of taxation already confronting the State by making the kind of sweeping changes in the tax structure that HB 3001 and HB 2858 would effect.



Hope through understanding

March 13, 1990

TO: Rep. Keith Roe, Chairman
Members of House Taxation Committee

FROM: Lila Paslay, Chairperson
Legislative Affairs

RE: H.B. 3001

The 5,000 members of the Association for Retarded Citizens of Kansas advocate on behalf of persons in Kansas with mental retardation and their families. Our membership is made up of family members and citizens in our state interested in the welfare of persons with mental retardation.

We are opposed to removing the sales tax exemption for community based mental retardation facilities.

At a time when the state of Kansas is having great difficulty finding the resources to meet the needs of individuals in the community with mental retardation, the removal of the tax exemption simply compounds the problem for community programs. The estimated \$1.4 million that the passage of this bill would generate in sales tax is \$1.4 million that will not be available to provide services across the state of Kansas. It may not seem a significant amount when compared with the total revenue that could be raised, but for families waiting for services for sons and daughters in the community, it could mean a longer wait.

We urge you to not remove the tax exemption for community mental retardation centers.

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LEGISLATIVE TESTIMONY

Kansas Chamber of Commerce and Industry

500 Bank IV Tower One Townsite Plaza Topeka, KS 66603-3460 (913) 357-6321



A consolidation of the
Kansas State Chamber
of Commerce,
Associated Industries
of Kansas,
Kansas Retail Council

HB 2858 and HB 3001

March 13, 1990

KANSAS CHAMBER OF COMMERCE AND INDUSTRY

Testimony Before the
House Taxation Committee

by

Bob Corkins
Director of Taxation

Mr. Chairman and members of the Committee:

My name is Bob Corkins, director of taxation for the Kansas Chamber of Commerce and Industry, and I appreciate the opportunity to express our position on both HB 2858 and HB 3001. We oppose both of these efforts to repeal many important sales tax exemptions for the sake of property tax relief.

The Kansas Chamber of Commerce and Industry (KCCI) is a statewide organization dedicated to the promotion of economic growth and job creation within Kansas, and to the protection and support of the private competitive enterprise system.

KCCI is comprised of more than 3,000 businesses which includes 200 local and regional chambers of commerce and trade organizations which represent over 161,000 business men and women. The organization represents both large and small employers in Kansas, with 55% of KCCI's members having less than 25 employees, and 86% having less than 100 employees. KCCI receives no government funding.

The KCCI Board of Directors establishes policies through the work of hundreds of the organization's members who make up its various committees. These policies are the guiding principles of the organization and translate into views such as those expressed here.

Certainly, the heavy dependence of local governmental units upon property taxes for revenue should be curtailed. KCCI even agrees that sales taxes are a preferred

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alternative source of funds. However, it is not necessary to sacrifice the beneficial incentives found in existing sales tax exemptions to achieve this objective. Nor is it economically competitive to impose the tax on transactions which most other states -- and generally our neighboring states -- do not tax.

Purchases of newer, more efficient business machinery and equipment should be encouraged. Businesses should be given incentives to locate in economically depressed areas. Key industries and professional services should not be saddled with tax liabilities higher than those imposed by surrounding states. Each of these state endorsed policies would suffer under the effects of these bills. Currently, Kansas' sales tax base is very comparable to its neighbors'. Only Iowa's base is broader than the norm due to its inclusion of many additional services.

The worst effects of property taxation in Kansas, we believe, have already been addressed. Inventory taxes have been repealed, all valuations have been brought up to date, and all businesses are now taxed using the same standards -- they are all assessed at the same rate on the basis of their equipment, land and buildings. Also, business machinery and equipment are finally being taxed on the basis of a predictable and fair depreciation schedule. This progress, as well as the advantages from sales tax incentives, would be compromised if the sales tax exemption proposals being considered here were to take effect.

Unfortunately, this trade-off proposed between sales and property taxes would not be equitable for businesses. Businesses would bear the brunt of the new taxes. They would pay much of the new sales taxes directly, and would be forced to collect or pass along all of these taxes to customers who may or may not be willing to accept the higher price tag. This suggests that businesses will shoulder a greater tax burden than they will receive in offsetting property tax relief. The proposal is therefore a de facto attempt at reclassifying property to cause a shift in the "effective tax base" toward businesses.

Consequently, KCCI opposes both HB 2858 and HB 3001 and urges you to do so as well.



**KANSAS
CONSULTING
ENGINEERS**

GEORGE BARBEE, EXECUTIVE DIRECTOR
810 MERCHANTS NATIONAL BANK
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STATEMENT

Date: March 14, 1990
TO: House Taxation Committee
FROM: Kevin Robertson
Director of Governmental Affairs
RE: **HB-3001 (Sales Tax on Professional Services)**
HB-2858 (Reduction in Highway Fund Transfer)

Mr. Chairman and members of the Committee, my name is Kevin Robertson. I am Director of Governmental Affairs for Barbee & Associates and today I am appearing before you on behalf of the Kansas Consulting Engineers.

The Kansas Consulting Engineers are opposed to HB-3001.

This bill would tax all services under the sales tax provisions of the state statutes. Engineering services have not been taxed in the past because they are not listed as a taxable service.

As I reviewed the sales tax statutes it became evident to me that the entire retailers sales tax statutes were clearly intended for the retailer to collect from the consumer a tax on the final retail transaction. The providing of a professional service such as engineering is not a final retail transaction.

The design of a project is a necessary step toward providing the builder the necessary contract documents and plans from which the builder can determine ways, means, materials and methods to build according to the design and specifications.

Sales taxes are paid by the engineer, architect, contractor and subcontractors as they individually make final retail transactions for materials that are incorporated as components of the final constructed project. The engineering firm pays sales tax on paper, pencils, computers, automobiles, trucks and equipment. The contractor pays tax on construction materials and the sophisticated construction equipment of the 90's. Taxes are currently being paid at the proper time when the final retail transaction is conducted on component parts of the project.

Often times a public, tax exempt entity will merge with a private corporation to develop a project, area, building, etc. An example of such an agreement here in Topeka might be the transformation of the old auditorium into the Topeka Performing Arts Center. The city only provided funding for a percentage of the project after private donations were collected. A bookkeeping nightmare would be

AFFILIATED WITH:

KANSAS ENGINEERING SOCIETY AMERICAN CONSULTING ENGINEERS COUNCIL PROFESSIONAL ENGINEERS IN PRIVATE PRACTICE NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS

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created in distinguishing which portions of the work performed for the center would be taxable and which portions would be tax exempt. Who is responsible for making this determination? This is not to mention the difficulty in determining taxability of any sub-contracts the design firm may enter into.

Before I continue, let me share with you what a consulting engineer does.

Consulting engineering services vary in scope from short-term consultations to the development and design of large and complex projects. These professional engineering services are commonly summarized into four basic classifications: consultation, investigation, reports, project coordination and administration services.

The services included in these general classifications are widely diversified. Typical examples are:

- Collecting and interpreting data
- Engineering studies and reports
- Cost studies
- Economic comparisons
- Long-range facility planning
- Conducting public hearings
- Appraisals and evaluations
- Feasibility studies
- Investigations
- Government agency liaison
- Applications for government grants or advances
- Basic Design Services

To provide any of the above services often requires a coalition of professionals working together through sub-contracts.

Imagine that we are finally going to get a new major convention hotel in downtown Topeka. The owner of this new imaginary high-rise is located in Chicago. The owner has options on property, knows how many units, restaurants and meeting rooms are needed and it is time to hire an architect to coordinate with a team of design firms to design the project.

The architect will eventually hire an electrical engineering firm to design the electrical distribution system; a structural engineering firm to design the skeletal support frame; a mechanical engineering firm to design the air conditioning, heating and ventilation system, and water and fire sprinkling system; a geotechnical engineering firm to perform site investigation and many other specialists to develop the construction documents, plans and specifications.

Will the owner hire a team of Kansas designers on this project and pay a sales tax at every sub-contracting level of engineering, or

will the owner simply hire a non-Kansas team to save on the cost of the sales tax?

Remember the service of design is not performed on the site of construction. It is performed in the location or locations where the design team members have their offices. That very likely will not be Kansas if this bill passes.

To compound the problem, KCE is made up of several firms which have offices on both sides of the Kansas/Missouri border. Also, many of our firms are active in national and international projects. We believe a tax on services would simply result in firms deferring taxable projects, both in and out-of-state, to their out-of-state branch offices. Smaller firms who do not have the luxury of out-of-state branch offices will be at a serious disadvantage when competing for design projects with a 4.25% added to their cost of services.

In both cases, the result is lost workers and jobs in the state of Kansas. Losing their ability to compete, smaller firms may be forced to cut staff size or even go out of business, while large branch offices may be reduced and employees transferred to states with more competitive business climates. You don't have to be a genius to figure that lost jobs and workers translates into lost income tax and sales tax revenue for the state of Kansas.

The Kansas Consulting Engineers are also opposed to HB-2858.

HB-2858 does not include a provision to tax professional services, something for which we are truly grateful. However, we must oppose the bill due to the provision which reduces the general fund transfer to the highway program. KCE has worked diligently the previous three years to secure a meaningful highway improvement program. KCE is concerned with the current condition of the state's highway infrastructure, and believes that 1989 HB-2014 was a positive step toward its restoration.

Mr. Chairman, Thank you for the opportunity to speak to these issues, and I would be glad to respond to questions.



Executive Offices:
3644 S. W. Burlingame Road
Topeka, Kansas 66611
Telephone 913/267-3610

TO: THE HOUSE TAXATION COMMITTEE
FROM: KAREN FRANCE, DIRECTOR, GOVERNMENTAL AFFAIRS
DATE: MARCH 13, 1990
SUBJECT: HCR 3001

Thank you for this opportunity to testify. On behalf of the Kansas Association of REALTORS®, I appear today not to support or oppose the concepts which SB 656 proposes, but to say that we do not believe it is the answer to the existing tax problems.

As we have testified before this committee, we believe the answer lies in putting caps on the amount of property taxes which can be assessed against real estate and looking for alternative means for funding local government budgets.

While some have said that our solution is extreme, the total elimination of property tax is even more extreme. At any rate, we firmly believe that the limitation or elimination (if that is even possible) of property taxes must be done by means of a constitutional amendment, not by statute. Without a constitutional cap on property taxes, when budgets get lean in later years, it would be very easy to come in and strike the provisions of New Section 1, much the same way as the provisions of K.S.A. 79-3603 and 79-3606 have been stricken in this bill. Then, the local units will be tempted to go back to property taxes and start the vicious cycle again.

We urge that if, in your wisdom, you adopt this approach to reducing or eliminating the property tax burden in this state, that you do it through a constitutional amendment, rather than by statute on property taxes.

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FAX (402) 393-6712

Idelman Telemarketing, Inc.

(402) 393-8000

7415 Dodge Street • Omaha, NE 68114

Members of the House Taxation Committee,

thank you for the opportunity to share my thoughts with you today regarding House Bill 2858.

My name is Steven Idelman and I am Chairman and Chief Executive Officer of Idelman Telemarketing, Inc., with 8 divisions in Kansas.

My purpose in appearing here is to oppose passage of House Bill 2858, and to ask you to vote "no."

This legislation will have a devastating effect on our business, on the telecommunications business in Kansas, and ultimately on Kansas employees and citizens.

I am also here to speak for the Kansas members of the Direct Marketing Association (DMA). Every company with a telemarketing operation in Kansas would be adversely affected and forced to seek options. This will be particularly true for companies whose sole business purpose is interstate telemarketing sales operations.

Idelman Telemarketing, Inc. (ITI) opened its first Kansas operation in Wichita in March of 1987. We have 272 employees at that location today. Since that time we have expanded and opened seven additional offices in Kansas. They are:

- Wichita 2 (80 employees) and Wichita 3 (252 employees);
- Hutchinson (252 employees);
- Newton (84 employees);
- Salina (161 employees);
- Emporia (213 employees); and
- Manhattan (145 employees).

We are proud to employ 1,459 Kansas citizens with an estimated 1990 payroll of \$9 million.

We contribute our fair share of taxes to Kansas, estimated to be \$400,000 in 1990.

We market goods and services produced and provided by our clients, including by other Kansas companies such as Kansas Power and Light (KPL).

We rent space at 8 locations.

We believe we are an asset to Kansas.

House Bill 2858 would cost us an estimated additional \$250,000 per year! It would raise our cost of doing business. Passed on to our customers, this would directly affect our ability to be competitive in the marketplace.

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Permit me to share with you ITI considerations and actions if HB 2858 is enacted.

1. We will take steps to shift our call volume to a neighboring state. MO, CO, and NE do not impose a sales tax on interstate calls.
2. We will aggressively investigate relocation options.

and

3. We will redirect any future plans to expand in KS to another state.

This is no different than when we selected KS. We opted not to go to Duluth, MN or Moline/Rock Island, IL because of economic disincentives.

The same may well be true for other telemarketing operations in KS. ITI is proud to be a forerunner in Wichita. Sears catalog, Best Western inbound, and Pioneer Teletechnologies set up operations as a result of our success in the Wichita labor market.

Let me tell you about our employees. They are women and men, span all ages, work part-time and full time, are tackling first jobs, or are returning to the work force. We train young people; we retrain others. We pay wages and benefits.

Idelman Telemarketing is a good citizen. We are the primary statewide sponsor of Special Olympics Torch Run; we support and work for United Way in Harney, Lyons, Rens, Riley, Salina, Brown, and Sedgwick counties. We are major supporters and sponsors of the Wichita Wings professional soccer team and we contribute to numerous school programs in areas where we do business. Telemarketing is an effective and efficient way to contact former customers and to find new customers.

We telemarketers in Kansas already pay a 3% federal excise tax. Imposing Kansas sales tax would raise that by over 140%! You can understand we will owe it to our customers to seek other alternatives should HB 2858 be enacted. Others would be forced to act similarly. So would businesses considering locations in Kansas. We urge you to vote "no." For Kansas now and in the future.

I want to repeat that I also represent the 21 Kansas members of the Direct Marketing Association headquartered in 12 Kansas cities and numerous other DMA members who have operations in Kansas.

As a member of the Government Affairs Committee of DMA and as Chairman of the Telemarketing subcommittee I will try to answer any questions you may have. If I am unable to answer accurately now, Bob Storey, our local counsel, will followup for us with you.

Thank you very much for allowing me the opportunity to participate in these hearings.



March 13, 1990

TO: Members of the House Taxation Committee

FROM: Rosemary Kutz, Executive Director, Kaw Valley Girl Scout Council, Inc.
Representing the Girl Scout Councils serving the State of Kansas

Kaw Valley
Girl Scout Council
P.O. Box 4314
Topeka KS 66604
(913) 273-3100

Recognizing that while you must exercise your responsibility as legislators to review the various sources of tax revenue, I am here to oppose House Bill #2858. I would ask you to retain the exemption in the payment of sales tax on purchases made by non-profit organizations for nonsectarian, comprehensive, multidiscipline youth development programs and activities.

This exemption, which covers Girl Scouts, was added to Kansas law in 1987. Prior to that we were exempt under another category.

Girl Scouting provides a contemporary program that is responsive to the needs of all girls, enabling them to reach their full potential and empowering girls to take leadership roles in a changing global society.

We believe that the services provided by the Girl Scout program warrant tax exemptions. The preventive and pro-active nature of our program enhances the lives of the girls; it is an investment not only in their future, but also that of the State of Kansas. The investment the State makes in providing us with a sales tax exemption is multiplied many times through the girls we serve. We believe that prevention is always more effective than treatment and certainly less expensive. We are providing services for the betterment of society more effectively and efficiently than the government ever could. On this basis, we ask you to retain our exemption from paying sales tax.

What does this exemption mean to us in dollars? For most of the councils purchasing supplies in Kansas, we would need to generate an additional 1% in revenues to cover paying sales tax. This would amount to approximately \$41,000. For my council which covers 13 counties here in Northeast Kansas this would be an additional expense of about \$7000. This money must come from United Ways, other contributions, program fees and from the profit of the cookies the girls sell. It will take a lot more cookies to pay this bill. In short, unless this tax exemption is retained, we will have less money to spend on providing the program to the girls. Generating the additional 1% to pay this tax may not seem like a large amount of money to some, but it is a significant expense to an organization like the Girl Scouts. I will remind you that we collect and remit sales tax to the State on the cookies. In 1989 the councils in Kansas remitted \$165,456. We also collect and remit sales tax on camp fees.

At a time we see school districts struggling with budget cuts, supplemental educational programs we provide in such areas as outdoor and environmental education, entrepreneurship, career exploration, inter-cultural and interracial understanding and good citizenship become even more important. Please continue to support us in this important work we do.



Serving Brown, Clay, Douglas, Geary, Jackson, Jefferson, Marshall, Nemaha, Pottawatomie, Riley,
Shawnee, Wabaunsee and Washington Counties

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THE HART AGENCY
Incorporated

TESTIMONY OF ROBERT W. HART BEFORE THE KANSAS
HOUSE COMMITTEE ON TAXATION
BILL HB2858
March 14, 1990

Mr. Chairman and members, thank you for the opportunity to appear before you on behalf of the advertising agency business. My name is Bob Hart, President of The Hart Agency of Shawnee Mission, Kansas. I am a member of the American Association of Advertising Agencies (A.A.A.A.), a national association whose members handle 80% of the advertising dollars spent in this country. I have been associated with the advertising industry for 13 years.

I am here today to explain why advertising agencies should **not** be included in HB2858 and HB3001. The explanation can be said in two words, *competitive disadvantage*. In an industry where fierce competition is the norm, a four to five percent tax levied on half the competitors can be devastating to those who must pay the tax.

In the Kansas City area, 115 of the 212 advertising agencies listed in the yellow pages are located on the Kansas side. The loss of their sales tax exemption would put Kansas advertising agencies out of business, or force them to relocate to Missouri. Out-of-state clients will not pay a premium just to do business with a Kansas agency. The client will ask the agency to absorb the tax, or to move across the state line if they want to keep their business. Or, they will simply change to an agency outside our state.

But, Kansas agencies cannot afford to absorb the four to five percent tax and stay in business. According to figures compiled by the American Association of Advertising

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Agencies, their members based in Kansas currently average a profit of just 5.88% on annual gross receipts before taxes.

Kansas agencies in the Kansas City area can move a few blocks to the Missouri side of the line and keep their out-of-state clients. But the Kansas agencies in cities like Wichita, Hutchinson, Salina and Dodge City don't have the option to move a few blocks to another state. These agencies will lose their out-of-state clients and the jobs that serviced those clients.

The *competitive disadvantage* doesn't stop with just the tax. The administration of the tax will be complex and expensive. It will create a huge collection burden for both business and government. Both would need an army of accountants and lawyers to administer the rules. These substantial costs could be better invested in productive jobs with value to the economy and the public.

Advertising agencies won't be the only casualty of *competitive disadvantage*. Small businesses who have to compete with other small businesses across the state line in the Kansas City area will also be affected. A retailer's advertising budget is based upon a fixed percentage of sales. They will not, and can not, arbitrarily raise their ad budget four to five percent. They will have to reduce their advertising to cover the costs of a tax.

Studies by the Wharton Econometrics Forecasting Association show a tax on advertising reduces local employment and personal income by substantial amounts. When the cost of advertising goes up, there is less advertising. Less advertising leads to less consumer

Testimony of Robert W. Hart
Bill HB2858
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demand. This slows the economy for local merchants, reducing the usefulness to local and state government as a source of revenue. It's like eating the seed corn, rather than planting it.

Yes, the advertising industry is different from other service businesses and these differences should be considered when establishing tax policy. We in the advertising industry of Kansas have worked hard to bring out-of-state business to Kansas. Please help us to continue our efforts by removing advertising agencies from HB2858 and HB3001.

Thank you.

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STATEMENT BEFORE
the
HOUSE COMMITTEE ON ASSESSMENT AND TAXATION
by the
KANSAS MOTOR CAR DEALERS ASSOCIATION
March 13, 1990

RE: HB 3001 & HB 2858 Sales Tax Exemption Repeals

Thank you Mr. Chairman and members of the Committee. I am Kevin Allen, Executive Vice President of the Kansas Motor Car Dealers Association. I appear before you today not really in support or opposition to HB'S 3001 & 2858. KMCDA does support additional sales tax revenue as a means of addressing the property tax problem. However, we are concerned about one section which would repeal the current exemption for the purchase of motor vehicles in Kansas by out of state residents.

Kansas currently has reciprocating agreements with many states including the four contiguous states of Oklahoma, Nebraska, Missouri and Colorado. These agreements allow individuals who purchase vehicles out-of-state to pay a sales or use tax in their home state instead of in the state where purchased.

In checking with our contiguous states, I have found that Nebraska will automatically repeal their agreement and charge sales tax to Kansas residents purchasing a car in their state. The difference between the number of vehicles purchased from Kansas dealers by Nebraska residents and vice versa would generate very little, if any, additional tax revenue.

Oklahoma and Colorado residents purchasing a car in Kansas would pay Kansas sales tax **and** an additional use tax when registering the vehicle. This would eliminate sales by Kansas Dealers to Oklahoma and Colorado residents which would be devastating to Kansas dealers in those border counties.

At this time, Missouri would not repeal their exemption and give Missouri residents credit for tax paid in Kansas. However, the Missouri Department of Revenue is studying this very subject to determine how to handle the loss of revenue that occurs from other states not honoring their exemption.

What about Kansas residents? Would they get sales tax credit paid to another state or assessed both where purchased and registered? Our fear is that Kansas dealers would be placed at a competitive disadvantage to dealers in states with lower sales tax rates especially on fleet sales. These reciprocating agreements have been in place to assure that sales tax rates don't determine the place a vehicle is purchased. Considering the facts I have outlined above, it doesn't appear that the repeal of this exemption would generate any additional revenue to the state of Kansas.

Thank you for the opportunity to appear I will be happy to respond to any question you might have.

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ALDERSON, ALDERSON, MONTGOMERY & NEWBERY

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MEMORANDUM

TO: Members of the House Taxation Committee
FROM: Alan F. Alderson, Attorney, Western Retail Implement and Hardware Association
RE: House Bill No. 3001 and House Bill No. 2858
DATE: March 14, 1990

On behalf of the Western Retail Implement and Hardware Association, an association having approximately 300 Kansas members, I appear today in opposition to House Bill No. 3001 and House Bill No. 2858. Although HB 3001 appears to be totally unworkable in its present form and would convert the state sales tax to a "value added" concept, we will assume that the intent of this bill is to completely supplant reliance on ad valorem taxation with substantial increases in sales tax, including the extension of sales tax to all services. House Bill No. 2858 attempts to at least retain the nature of a sales tax.

I will not attempt to address the merits of these proposals as answers to the perceived property tax crisis -- I will limit my remarks to those portions of the proposed legislation which have the most dramatic and drastic impact upon this state's implement dealers -- the elimination of K.S.A. 1989 Supp. 79-3606(u). This is the exemption for farm machinery and equipment, repair and replacement parts therefor and services performed in the repair and maintenance of such machinery and equipment.

We can only assume that each group whose "bear" is about to be shot will make his own appeal for a stay of execution. I would like to tell you what we perceive as being the consequences of the repeal of 79-3606(u). Before you eliminate the exemption for farm machinery and equipment, please consider the following:

1. The states of Arkansas, Iowa, Missouri, Oklahoma and Texas have exemptions for farm machinery and equipment. The sales tax rate in Colorado has been reduced to 3% on such farm machinery and equipment. The only state which is even close to Kansas and which imposes sales tax at a full rate (4%) on farm machinery and equipment, is the state of Nebraska.
2. One-third of Kansas dealers have gone out of business during the 1980's.
3. New farm equipment sales were down by 70% during the 1980's, but are now beginning to rebound.

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4. The sales tax exemption for farm machinery and equipment has helped, and should be allowed to continue to help, Kansas farmers cut their equipment costs.

5. The sales tax exemption encourages Kansas farmers to stay at home and to buy their equipment from their hometown dealers. When dealing with pieces of equipment as expensive as those used by our Kansas farmers, the price differential which can be offered in a neighboring state by virtue of our imposition of Kansas retailer's sales tax on farm machinery and equipment, makes it well worth the drive to buy from a neighboring state. The sales tax on a \$70,000 combine is nearly \$3,000.

We realize that the amount of money which could be raised through the elimination of all sales tax exemptions may appear to be an attractive quick fix. It is also easy to rationalize this decision as simply "making a special interest group pay their fair share." This rationalization ignores two very important concepts:

1. The sales tax is not paid by special interest groups -- it is paid by Kansas consumers. Sales tax on farm machinery and equipment is paid by Kansas farmers.
2. There were very sound economic or other policy reasons for the enactment of most of these sales tax exemptions. The reasons for the exemption of farm machinery and equipment continue to be valid.

On behalf of the farm machinery and equipment dealers of Kansas, I urge you to take a very cautious approach to any proposal which would provide substantial competitive advantages to our neighboring states, and do not be fooled by any "quick fix" remedy which may have far-reaching and unintended consequences. We urge you to vote against HB 3001 and HB 2858.

I will be glad to try to answer any questions you might have.

Proposed Amendment to HCR 5052

On page 2, in line 18, after "constitution" by inserting ", and buildings and other improvements located upon land devoted to agricultural use"; in line 21, by striking all after "poses"; in line 22, by striking all before the first period; in line 34, by striking "nine" and inserting "eight";

On page 3, by striking all in line 18; in line 19, by striking "(9)" and inserting "(8)"; in line 24, before "and" by inserting "livestock,"; in line 28, by striking all after "(6)" and inserting "and (7)"; in line 29, by striking "(8)"; in line 31, after the period, by inserting quotation marks; by striking all in lines 32 to 37, inclusive; in line 41, by striking "three" and inserting "two"; in line 43, by striking "and livestock";

On page 4, in line 8, by striking all after "purposes"; in line 9, by striking all before "which"; in line 15, by striking "and livestock"; in line 19, by striking "and livestock"; in line 24, by striking "and livestock"

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