



March 13, 2023

**Written Only Testimony in Opposition to SB 248
Before the House Taxation Committee
Ann Smith-Tate, President & CEO, Shawnee Chamber of Commerce
Executive Director, Shawnee Economic Development Council**

Chairman Smith and Committee Members,

Thank you for providing me this opportunity to share my professional opinion on SB 248. On behalf of the Shawnee Chamber of Commerce and the Shawnee Economic Development Council, I would like to express my opposition for SB 248 eliminating local sales tax on food. This repeal would have a significant negative impact on basic services for the Shawnee community and other communities in the State of Kansas.

Locally \$6.4m is generated by sales tax on food, this represents approximately 21% of the City of Shawnees annual budget. A diversified revenue stream is important to the fiscal health of any organization including a municipality as large and complex as Shawnee. Removal of this tax will result in shifting of taxes to other sources such as property tax further increasing the burden on businesses in our community. We often hear the need to reduce overall tax burden in order to attract new businesses and be competitive with other states - I fear this will result in a step in the wrong direction. Not only is a fair tax policy important to growing our local economy, but also ensuring our city has the necessities like good infrastructure and public safety along with robust amenities like parks and recreation opportunities. Approval of SB 248 would negatively impact all of these as they are reliant on sales tax generated from sale of food at the local level.

Please consider not advancing SB 248 out of Committee.

Regards,

Ann Smith-Tate
President | CEO

Shawnee Chamber of Commerce
Shawnee Economic Development Council