

**TESTIMONY OF
COREY D PETERSON
BEFORE SENATE COMMITTEE ON ASSESSMENT AND TAXATION
SB 41**

January 26, 2023

By Corey Peterson, Hemslöjd, Inc, Lindsborg, Kansas

Madam Chair, Vice Chair Peck, Ranking Minority Member Holland and members of the committee, my name is Corey Peterson. I am President and Owner of Hemslöjd, Inc. The Hemslöjd is retail business offering Scandinavian gift items located in Lindsborg, KS. It was founded in 1984. My wife, Denise, and I have been owners since 2011. We have 6 full-time employees, an average of 14 part-time employees and usually 3 to 4 seasonal employees.

I am in support of Senate Bill 41 and respectfully ask that you report it favorably for passage.

Speaking as a small, independent retail business, SB 41 addresses a matter of fairness. Kansas businesses currently serve as defacto agents of the state, county and city governments, with no compensation. Kansas is among the minority of states that do not offer some form of relief.

Businesses have been collecting, remitting and reporting sales taxes on behalf of these government entities for decades, with no reimbursement, but understand the important role they serve in doing so. It is not without concern, however, as this service is provided at the business' own expense.

There are real costs involved in providing this service, both in time and money. The most obvious and direct expense are credit card fees. We pay credit card processing fees for transactions, including the sales tax collected. Over 85% of our sales are paid with credit cards. This means that our company pays, out of pocket, a fee of 2-4% for over 85% of all sales tax dollars collected. This is in addition to the bookkeeping expenses related to the collection, reporting and remitting of the taxes.

Senate Bill 41 is about fairness to businesses in Kansas. While this bill will not go as far as to provide for the reimbursement of all costs involved with providing this service, it is at least a start and would be appreciated by retail and other businesses across the state.

Again, I support Senate Bill 41 and ask that you report it favorably for passage. Thank you for your consideration.