



Testimony in Support of Senate Bill 35
Mr. Daniel Murray
Kansas State Director, National Federation of Independent Business

Senate Committee on Assessment & Taxation
January 21, 2025

Chair and members of the committee, I am pleased to submit testimony in support of the Senate Bill 35. NFIB Kansas is the leading small business organization in Kansas representing small and independent businesses. A non-profit, nonpartisan organization founded in 1943, NFIB Kansas represents the consensus views of its over 3,600 members throughout the state.

Senate Bill 35 addresses a chief priority and persistent challenge of small business owners—property tax rates. Reducing Kansans’ tax burden is top of mind for small business owners, particularly when it comes to our state’s property taxes. Ahead of the Kansas Legislature’s 2025 session, state members of the National Federation of Independent Business strongly support property tax cuts, according to NFIB’s annual survey. More than eighty-eight percent of NFIB members, who responded to our survey, support reducing property taxes, like the statewide property tax mill levy, local ad valorem rates and other property taxes.

As of 2022, there are more than 258,000 thousand small businesses – representing 99.1 percent of all firms in Kansas– and they employ over 600,000 workers, over half of the state’s workforce. Indeed, small businesses are the backbone of the Kansas economy. And taxes matter to our vital small business sector. In our most recent *Small Business Problems and Priorities*, NFIB confirmed that taxes continue to be a significant problem for small business owners. The study found that tax rates *AND* tax complexity are four of the top ten problems confronting small businesses.

As Main Street continues to grapple with inflation, it’s incumbent on lawmakers to make our state’s tax code competitive with neighboring states and prioritize economic growth. Kansas continues to have healthy reserves and we urge the legislature and the Governor to send those hard-earned taxpayer dollars back to Main Street where small business owners can reinvest in their employees and businesses. Thank you for your consideration of our comments, and we respectfully ask you to vote favorably for the passage of this legislation.