

SESSION OF 2026

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2599

As Recommended by House Committee on
Taxation

Brief*

HB 2599 would enact the Kansas Lemonade Stand Law, which would exempt all sales of the first \$10,000 of tangible personal property sold by a minor-owned business each calendar year from the tax imposed by the Kansas Retailers' Sales Tax Act.

The bill would define a "minor-owned business" as a business that:

- Is owned and operated only by an individual or individuals under 18 years of age;
- Offers sales or services only on an intermittent or seasonal basis; and
- Does not exceed \$10,000 in gross sales each calendar year.

The bill would specify the operation of a website, online marketplace listing, or other digital storefront would be considered intermittent or seasonal.

The bill would further exempt the sales of minor-owned businesses from any other city, county, or township tax; fee; or license or permit requirement for the operation of such business.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <https://klrd.gov/>

Background

The bill was introduced by Representative Bohi and 43 other Representatives.

House Committee on Taxation

In the House Committee hearing, **proponent** testimony was provided by Representative Bohi; a representative of Americans for Prosperity Kansas, and four private citizens, three of whom have minor-owned businesses as defined in the bill. The proponents generally stated the bill would remove barriers for Kansas youth who want to run businesses and learn the skills that come with it.

Written-only proponent testimony was provided by representatives of the Goddard Area Welcome and Resource Hub and the Libertas Institute and by seven private citizens.

No other testimony was provided.

Fiscal Information

According to the fiscal note provided by the Division of the Budget on the bill, the Department of Revenue estimates enactment of the bill has the potential to decrease state and local sales tax revenues by unknown and negligible amounts beginning in FY 2027. The Department indicates reissuing publications and revising forms would cost \$2,010 from the State General Fund in FY 2027.

Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2027 Governor's Budget Report*.

Kansas lemonade stand law; sales tax exemption; youth business