

MINUTES OF THE HOUSE TAXATION COMMITTEE

The meeting was called to order by Chairperson Marvin KleeB at 3:30pm on Wednesday, February 18, 2015, 582-N of the Capitol.

All members were present except:

Representative Gene Suellentrop – Excused

Representative Kasha Kelley – Excused

Committee staff present:

Reed Holwegner, Legislative Research Department

Phyllis Fast, Kansas Legislative Committee Assistant

Chris Courtwright, Legislative Research Department

Scott Wells, Office of Revisor of Statutes

Conferees appearing before the Committee:

Richard Carlson, Kansas Department of Revenue

Tuck Duncan, Kansas Wine & Spirits Wholesalers Association

Philip Bradley, Kansas Licensed Beverage Association

Jennifer Vogel, Kansas Association of Beverage Retailers

Jason Watkins, Kansas Beer Wholesalers Association

Brad Smoot, Distilled Spirits Council of the United States

Janez Lomshek, Talk of the Town Restaurants

Steve Anderson, Kansas Policy Institute

Others in attendance:

[See Attached List](#)

Bill introductions

Representative Thompson made a motion to introduce a bill concerning highway control act.

Representative Highland seconded the motion. Motion passed.

Representative Thompson made a motion to introduce a bill concerning income tax operating losses.

Representative Hineman seconded the motion. Motion passed.

Hearing on: HB2306 — Increasing rates of taxation on cigarettes, tobacco products and alcoholic beverages.

Chairman KleeB opened a hearing on **HB2306** to hear testimony concerning taxation on alcoholic beverages only.

Scott Wells briefed the Committee on **HB2306**. He stood for questions.

Richard Carlson presented testimony in support of **HB2306** by providing detailed information concerning the proposed tax increase on the retail sale of liquor in Kansas. He stood for questions.
[\(Attachment 1\)](#)

CONTINUATION SHEET

MINUTES of the Committee on Taxation at 3:30pm on Wednesday, February 18, 2015, 582-N of the Capitol.

Written only testimony in support of **HB2306** was presented by Tom Krebs, Kansas Association of School Boards ([Attachment 2](#)).

No testimony neutral for **HB2306** was presented.

Tuck Duncan presented testimony in opposition to **HB2306** by giving a detailed presentation of what the proposed tax increase on liquor will entail. He stood for questions. ([Attachment 3](#))

Philip Bradley presented testimony in opposition to **HB2306** by describing how an increase in retail liquor sales will effect "Kansas bars, breweries, clubs, caterers, hotels and restaurants". He stood for questions. ([Attachment 4](#))

Jennifer Vogel presented testimony in opposition to **HB2306** by describing how "Kansas taxes liquor products three times". She stood for questions. ([Attachment 5](#))

Jason Watkins presented testimony in opposition to **HB2306** by discussing "job losses" and "cross-border sales". He stood for questions. ([Attachment 6](#))

Brad Smoot presented testimony in opposition to **HB2306** by explaining why the proposed liquor tax is "excessive". He stood for questions. ([Attachment 7](#))

Janez Lomshek presented testimony in opposition to **HB2306** by explaining how the tax increase on liquor "will be detrimental to" his business. He stood for questions. ([Attachment 8](#))

Steve Anderson presented testimony in opposition to **HB2306** by saying "these taxes seldom bring in the revenues that are projected". He stood for questions. ([Attachment 9](#))

Written only testimony in opposition to **HB2306** was presented by Steve Nelson, Brown Bag Liquor, ([Attachment 10](#)); and Mike O'Neal, Kansas Chamber of Commerce ([Attachment 11](#)).

When all questions from the Committee were answered, Chairman Kleeb closed the hearing on **HB2306**.

The meeting was adjourned at 4:27 pm.