WRITTEN TESTIMONY concerning HB 2076
House Taxation Committee
Submitted by Randall Allen, Executive Director
Kansas Association of Counties

February 5, 2015

Mr. Chairman and members of the Committee:

Thank you for the opportunity to submit written testimony ***in opposition to*** HB 2076, a bill instituting a sales tax holiday for back-to-school related sales beginning in August, 2017. The fiscal note for the bill, as it applies to local governments, is a projected revenue loss of $1,500,000 in FY 2017, and then ramping up to $1,680,000 by FY 2020.

For county governments which have implemented local-option sales taxes previously approved by voters, it does not seem prudent to institute any kind of a sales tax holiday when the State budget faces such significant revenue shortfalls. The adage, "when you are in a hole, the first action is to quit digging" seems an appropriate cautionary comment on HB 2076. The state's sales and use tax base obviously extends to local-option sales taxes, and so counties would also be negatively impacted by the revenue loss. Especially during a time (like now) when revenues are so unstable, we urge the committee to not pass out this bill.

Thank you for considering our testimony.

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