

DUSTROL INC.



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Chairman KleeB and members of the tax committee,

Our company would be in favor of reimplementation of all or part of the current income tax exemption for LLC businesses in Kansas. This tax exemption is not good tax policy. It is not fair taxation when the owners of a business do not have to pay State income taxes, yet their employees are paying on their income. The current budget issues in the State of Kansas can in large part be attributed to this business income tax elimination. The principles behind the tax cuts were intended to spur the economy, add jobs, and grow business. Business owners, even with a 100% tax cut, will not hire people or expand and grow their business without the increased demand for their products or services. Many of the businesses that get the tax break have no intention of growing their business or adding more employees. I am sure there are ways to give businesses that increase their employment numbers and grow their business a tax break when it is warranted.

The reimplementation of the business income taxes, without any offset of other state taxes, would help alleviate the current budget crisis and discontinue the practice of diverting dedicated funds into the state general fund for temporary budget fixes.

Thank you for consideration of this important matter.

Brian Hansen
President
Dustrol, Inc.
Towanda, KS