



Before the Senate Assessment and Taxation Committee

March 24, 2015

Written Testimony in Opposition to SB 233

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to submit written testimony in opposition to SB 233 on behalf of the Kansas Food Dealers Association and the Retail Grocers Association of Greater Kansas City. SB 233 proposes to raise taxes on cigarettes, alcohol and other tobacco products.

Kansas retail grocers will be harmed if this bill becomes law. Grocers operate on extremely tight profit margins. Every customer is critical to the survival of retail grocery stores.

Tax policy changes behavior.

Missouri's cigarette tax is .17 cents per pack. Increasing the Kansas cigarette tax from the current .79 cents per pack to \$2.29 per pack certainly will motivate many customers who smoke and who are within driving distance of states like Missouri to cross the state line to purchase cigarettes.

And when they do, those customers will purchase items from grocery stores, convenience stores, gas stations and other retailers in Missouri—product which would have been purchased in Kansas. .

Respectfully we ask that the Committee vote NO on SB 233.

Jon McCormick, CEO
Kansas Food Dealers Association and
Retail Grocers Association of Greater Kansas City