

SB 508
Written Testimony by the Kansas Contractors Association
Senate Assessment and Taxation Committee
April 28, 2016

The Kansas Contractors Association is submitting written testimony in opposition to SB 508. Our organization represents over 235 companies who are involved in the construction of highways, bridges and water treatment facilities in Kansas and the Midwest and have been watching the actions of the legislature since 1923.

The majority of our membership favors the reinstatement of the tax exemptions which were passed in 2012. We believe in the concept of the three-legged stool in which sales taxes, property taxes and income taxes are used to fund state government and essential services.

The state got away from that concept four years ago by cutting taxes to over 330,000 businesses and individuals. Unfortunately, cutting taxes to those businesses has not generated the job growth and economic development as predicted and the experiment has failed.

We feel this measure doesn't restore enough of the tax cuts to make a difference. It has to be **larger**. \$170 million in FY 2017 and less in the years ahead is not enough.

The governor proposed to suspend or delay \$550 million in highway projects last week. Contractors are working and taking jobs to other states. It is time to repeal these cuts and we feel this bill doesn't go far enough.

Bob Totten
Executive Vice President