



Testimony in Opposition to House Bill 2023

House Committee on Taxation  
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I urge the House Committee on Taxation to oppose House Bill 2023. The current tax policy makes Kansas a more attractive destination for business and HB 2023 would roll that back.

When a small business is considering where to locate it must consider many different things, some more important than others. One of the very important factors a small business must consider is the tax environment in each state they are considering.

I am one of the owners of a small business that had been located in Missouri for almost 40 years. In 2013, when Kansas changed its tax law to eliminate the individual income tax on business income earned in sole proprietorships and pass-through entities as well as royalty, rental income and farm income, we took notice and after doing business in Missouri for almost 40 years, we moved our business location from Missouri to Kansas. This was a very difficult decision for us, however, at the time, we felt it was the best decision.

It is very difficult for a small business to find capital so that they can add jobs and make capital investments. The current tax law in Kansas does help a small business preserve capital so that they can do these things. I have lived in Kansas for most of my life and it is very important to me that Kansas be positioned to attract small business's to our state so that we can add the jobs that will grow the economy and allow Kansas to thrive and become the envy of our border states.

When a business owner is considering where to locate its business, they are looking for differentiators that make one state clearly better than the others. The current tax law does provide a differentiator from many other states and will certainly be one of the many important factors that small business owners must consider when they are deciding where to locate. For the sake of the future of Kansas and Kansans, I urge the committee to preserve the current tax law and to oppose House Bill 2023.

Thank you.

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