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Kansas National Education Association / 715 SW 10TH Avenue / Topeka; Kansas 66612-1686

Mark Desetti, Kansas NEA Written testimony House Taxation Committee January 19, 2017

Mr. Chairman, members of the Committee:

Thank you for the opportunity to share our thoughts on HB 2023, the repeal of the so-called "LLC Loophole."

Kansas NEA supports the repeal of the loophole as a matter of fairness to Kansans who continue to pay income tax.

We also believe that repeal is appropriate in light of the state's extreme budget difficulties.

While we believe that the loophole must be repealed, we stand as neutral on HB 2023 simply because we would like to see the repeal as part of a comprehensive plan to restructure the Kansas tax system with the aim of stabilizing revenue to support quality state services.

Taken by itself, the repeal does not do enough to address the challenges that Kansas faces today and will continue to face if a more comprehensive plan is not enacted.

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