Testimony
By the Kansas Contractors Association before the House Taxation Committee
Committee regarding HB 2023
January 19, 2017

The Kansas Contractors Association is submitting written testimony in regards to HB 2023. Our organization represents over 235 companies who are involved in the construction of highways 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 which is doing the majority of its work out of state 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 five years ago and have cut taxes to over 330,000 businesses and individuals. Unfortunately, cutting taxes to those businesses has not generated the job growth as predicted and the experiment has failed.

This measure, HB 2023 is a step in the right direction but it needs to be passed along with other measures to adequately fund state government.

Last week, the governor proposed to once again divert $530 million from KDOT's budget. Such action, if implemented jeopardizes the safety of our citizens.

Our organization, whose majority of members are LLC taxpayers, is asking you to remove the exemption and restore the quality of life to the citizens of Kansas.

Our members want good schools, good roads, good jobs and the ability of the state to take care of people who cannot take care of themselves. We suggest you manipulate the income tax brackets, remove the LLC exemption and raise the motor fuel tax so as to offset the losses to KDOT. Such action will bring back jobs to Kansas and provide a safe efficient highway system for the future.

Bob Totten
Executive Vice President