



**Testimony in Opposition to HB2740**  
**Mr. Daniel Murray**  
**Kansas State Director, National Federation of Independent Business**

**House Committee on Taxation**  
**Tuesday, March 6, 2018**

Mr. Chairman and members of the committee, thank you for the opportunity to submit testimony in strong opposition to HB2740 on behalf of NFIB Kansas. NFIB Kansas is the leading small business organization in Kansas representing small and independent businesses. A non-profit, nonpartisan organization founded in 1943, NFIB Kansas represents the consensus views of its over 4,400 members in the state.

House Bill 2740 will increase the statewide property tax mill levy dedicated for K-12 education funding by over 18 mills over the next three years. The annual average increase of approximately 6 mills each of the next three years would be a real manifestation of the Book of Revelation's "Number of the Beast" for Kansas small business owners. The increase would be a fatal blow to many small business owners who have been strapped with ever-increasing property tax rates and valuations and the recent sales and income tax increases.

As we know anecdotally, small businesses rank property taxes among the most despised taxes because they pay the tax whether they are producing income or not. Indeed, our research backs up this claim. In NFIB's most recent *Small Business Problems and Priorities*<sup>1</sup>, a publication with extensive research on the problems facing small businesses, property taxes were the 8<sup>th</sup> most concerning issue, which was just ahead of State Income Tax Rates at 9<sup>th</sup>.

In closing, after navigating the negative impacts of the massive sales tax increase passed in 2015 and last year's largest income tax increase in history, the last thing small business owners can afford is a TKO punch to the gut with this mammoth property tax increase. Thank you for your consideration of our comments, and we strongly urge you to vote NO HB2740.

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<sup>1</sup> <http://www.nfib.com/assets/NFIB-Problems-and-Priorities-2016.pdf>