March 12, 2018

Amanda Gress, Director of Government Relations Kansas Action for Children Testimony in Support of House Bill 2616 House Taxation Committee

Chair Johnson and Members of the Committee:

Thank you for the opportunity to provide testimony in support of House Bill 2616. Kansas Action for Children's vision is to make Kansas the best state to raise a child and to be a child, and our organization shapes health, education, and economic policies that benefit Kansas children and their families. Tax policies implemented in 2012 undermined the financial well-being of working families. For that reason, we support gradually and responsibly lowering the food sales tax rate as a part of the continued fiscal recovery from the Brownback tax plan.

The current food sales tax rate is too high. Kansas is one of only seven states to fully tax the sale of groceries and has the second-highest food sales tax rate in the nation. County and city governments levy additional taxes, bringing the total sales tax rate as high as 11% in some areas and pushing some Kansas communities far above the national average.

The high food sales tax hurts Kansas families. Food is a basic necessity for Kansas families. According to the Institute on Taxation and Economic Policy, the state's increasing reliance on sales tax hurts Kansas' poorest residents. The lowest 20% of income earners in Kansas pay an average of 7.9% of their income in state and local sales and excise taxes, compared with 1% for the top 1% of earners.

Lowering the food sales tax makes healthy food more affordable.

The cost of healthy food can be a major barrier for Kansas families. Ensuring Kansas kids have access not only improves their health, but also improves their ability to learn and their prospects for the future.

Lowering the sales tax on food would benefit all Kansans, especially those who are struggling to feed their families. Kansas Action for Children supports fiscally responsible strategies for lowering the food sales tax rate to help Kansas families afford groceries. Thank you for the opportunity to support House Bill 2616, and please do not hesitate to contact me at <a href="mailto:amanda@kac.org">amanda@kac.org</a> if you have any questions.



709 S Kansas | Suite 200 Topeka, KS 66603

P: 785-232-0550 | F: 785-232-0699 kac@kac.org | www.kac.org

Shaping policy that puts children first

President & CEO Annie McKay

## **Board of Directors**

Prisca Barnes Yvonnes Chen, PhD Jeffrey Colvin, MD Ping Enriquez Ximena Garcia, MD Terrie Huntington Susan Jack Marta Kennedy Angie Knackstedt, BSN, RN-BC Melinda Lewis, LMSW Stephanie Makalous Sarah Mays Nancy McCarthy Snyder, PhD Christina Ostmeyer Marty Rombold Jamie Schmaltz Dale Walker, PhD Karen Wulfkuhle