

Automobile Manufacture Rebates being Taxed

-Good morning, my name is Ken Fangohr, raised in Kansas and my family has owned lake property in Missouri for over forty years.

-Often I compare taxes between the two states by media and the internet.

-From July 1, 2006 – June 30, 2009 Kansas did not tax automobile manufactures rebates. As we know the law expired and rebates are now taxed at 100%. Example new rebate being offered on a new truck, $\$8,050 \times 9.25\% = \744 .

There are 21 states that do not tax automobile rebates including three of our boarder states, Missouri, Nebraska and Oklahoma.

-I feel Kansas needs to keep up with the times, as owning an automobile is very expensive. Kansas has the 8th highest sales tax in the nation, 9th highest automobile property taxes. (24 states have no automobile property taxes, 5 states have no sales tax-19 states have reduced automobile sale taxes between 3%-6.25%).

If I buy a new car in Oklahoma, they do not tax rebates, sales tax would be 3.25% excise tax and there is no property taxes to be paid.

-In concluding, I would like to say not taxing rebates could help boost the economy as well as automobile sales.

-Crazy example, In 2015 New Jersey signed into law cutting boat sales tax to 3.5% with a maximum cap of \$20,000. This was done to improve boat sales and manufacturing, also to compete with Maryland, Delaware and Florida.

-Some of you will recall in 2015, Kansas lowered boat property taxes from 30% to 5% to compete with Oklahoma and Missouri.

Thank You Very Much,

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