



February 13, 2019

Scott Thellman,
President
Proponent
House Bill 2261

Chairman Johnson and Members of the Committee:

Thank you for the opportunity to testify in support of House Bill 2261. As a first generation farm owned and operated by young farmers, we rely on our communities' local and regional food expenditures to support our farms operations, growth, and success. With twelve employees, and nearly fifty acres of specialty crop ground in production, local and regional food sales are vital to my operation. Lowering the sales tax on food is important to me in part because it makes local foods more affordable, more competitive in a national marketplace, and more accessible to our state's population. This accessibility in turn leads to increased sales, which leads to growth and additional job creation at our farm and others across the state.

With the State of Kansas nearly leading the way in the nation with the highest food sales tax in the nation (coming in 2nd in the U.S. with a state tax of 6.5%) we are struggling to increase our sales not only on the grocery shelf, but also at the farmer's market booth. When combined with additional local tax levies, some food dollars can be taxed as high as 11.5%. This is wrong, and does not promote the purchasing healthy local Kansas grown foods. We need healthy foods to be affordable and accessible to all Kansans'; and the first step to making this possible is the lowering or the elimination of sales tax on food.

Lowering the sales tax on food will benefit the Kansas economy while putting dollars back into the pockets of Kansas families who need it most. Our farm in turn will be able to sell more products within the state (currently we ship approximately 55% of our products out of state to Missouri and Colorado where the food sales tax makes it much more competitive for retailers to purchase), which in turn will allow us to contribute more tax dollars through job creation and farm expansion. For these reasons, I ask that the committee support House Bill 2261. For a better, healthier, and more affordable Kansas!